



# Setting the benchmark for excellence

Annual Report  
UniCredit Bank  
2024



**UniCredit Bank Czech Republic and Slovakia, a.s.**

A joint stock company

Registered office: Želetavská 1525/1, 140 92 Prague 4, Czech Republic

Companies register: recorded in the Companies Register maintained  
by the Municipal Court in Prague, Section B, file 3608

Company ID No.: 64948242

Tax ID No.: CZ64948242

This version of the Annual Report is an English translation of the Czech version of the Annual Report. UniCredit Bank took all the possible care to ensure that this version is an accurate representation of the version in XHTML format, except for the machine-readable XBRL tags that are embedded only in the XHTML version. An English translation of the Annual Report in the XHTML format is available here: [www.unicreditbank.cz/en/o-bance/vysledky/vyrocní-zpravy.html](http://www.unicreditbank.cz/en/o-bance/vysledky/vyrocní-zpravy.html). In case of any differences in the information contained, the Czech version of the Annual Report in the XHTML format, which is the version of the Annual Report published in accordance with the Capital Market Undertaking Act No. 256/2004 Coll. in the XHTML format, shall prevail over this version. The Czech version of the Annual Report in XHTML format is available here: [www.unicreditbank.cz/cs/o-bance/vysledky/vyrocní-zpravy.html](http://www.unicreditbank.cz/cs/o-bance/vysledky/vyrocní-zpravy.html)



# Excellence at UniCredit

**UniCredit is a pan-European Bank with a unique service offering in Italy, Germany, Austria, and Central and Eastern Europe.**

Our Purpose is to Empower Communities to Progress, delivering the best-in-class solutions and services for all stakeholders, unlocking the potential for our clients and our people across Europe.





## Delivering Excellence

We believe that by delivering the very best for our stakeholders, we are unlocking the potential that exists across Europe, for our clients, our people and our communities. We are setting a new benchmark for banking through our three strategic focus areas:

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UniCredit: a pan-European network empowering thirteen banks, leveraging Group synergies

## Confirming our value proposition

UniCredit is well-rooted in local communities and has a leadership position in the Countries and Regions where we have a presence, especially in terms of profitability and efficiency. Local banks manage their day-to-day operations, cascade and execute the Group Strategy. The Group sets the overarching direction and harmonises scalable activities, bringing everything under a common denominator.

## Offering our clients a gateway to Europe

Our core operations are located in Italy, Germany, Austria and Central and Eastern European Countries, all served by three high-quality product factories: Corporate, Individual and Group Payment Solutions. Our approach allows us to be as close as possible to our clients while also using the scale of the entire Group for developing and delivering the best products across our markets.

## Placing clients at the centre

We provide top-tier products and solutions, strategic advice and innovation to over one million SMEs and corporates, as well as 14 million affluent, private and other retail clients.

Our best in class in-house solutions, complemented with the top industry expertise of our partners, and powered by reliable digital and data capabilities, create significant value for our clients, firmly positioned at the centre of all we do.

13

Leading banks

>75,000

Talented colleagues<sup>2</sup>

4

Coverage Regions

3

Product factories

15m

Clients worldwide

1,000+

Employee Networks active members<sup>3</sup>



### Italy - Quality earnings powerhouse

Consistently delivering high profitability and growth

### Germany – Resilient anchor

High-quality growth and best year ever as a result of successful transformation

Ranking based on Net Profit FY2024 for Italy and Germany and 9M24 for CE&EE, as per FY2024 results market presentation methodology. Austria based on total assets at bank level as per last available disclosure.

1. Central Eastern Europe (CEE) includes the Czech Republic, Hungary, Slovakia, Slovenia, Bosnia and Herzegovina, Bulgaria, Croatia, Romania and Serbia.
2. Headcount as at 31 December 2024.
3. Diversity traits represented: LGBTQIA+, Gender, STEM, Disability, Cultural Diversity, Generations, Caregiving



## Group scale, local reach

**Empowered banks** unified as  
one Group, in the continuous  
pursuit of excellence

### **Austria - Resilient anchor**

Operational and capital excellence champion,  
delivering best results ever, moving forward  
with transformation

### **CEE - Growth Engine**

Leading franchise in the region consistently  
delivering excellent performance and  
growth in individual markets

## Nurturing our diverse talent base

UniCredit recognises that it is essential that we unlock the potential of our over 75,000 people, businesses, and communities across Europe. We have long recognised that an equitable, inclusive and diverse workforce is vital to our business and creates a more fair, inclusive and positive working environment. We believe that when Diversity, Equity and Inclusion (DE&I) work in harmony, great things happen.

### **International mindset**

International presence in BoD (%)

36

International presence in Group Executive Committee (%)

67

### **Female representation**

BoD (%)

50

Group Executive Committee (GEC) (%)

50

Leadership team (%)

34

## Business model

Our business model is centred on delivering sustainable growth, built on strong foundations across **13 leading and empowered banks** with local coverage close to the clients, leveraging a common denominator: the **strength of three product factories** with an ecosystem of strategic partners, a centralised and efficient **Group Procurement**, all continuously streamlined and simplified through our **Digital & Operations**.



### Enhancing our product offering: three global product factories

While clients access our services through local banks, our comprehensive offering to meet their needs is created by our three global product factories – **Corporate, Individual and Payment Solutions**. Each of these factories delivers best-in-class solutions, developed internally or through our dynamic ecosystem of trusted partners.



## Corporate Solutions

### Empowering corporates to progress

We have an extensive corporate client base and we provide them with seamless access to value-added services through three product lines – Advisory & Financing, Client Risk Management, Trade & Correspondent Banking. Combining deep local expertise and a strong cross-border presence, we support our clients with the broader array of products and services that they require, facilitating their growth ambitions.

## Individual Solutions

### Advising clients to achieve their investment and insurance objectives

Clients benefit from a large and attractive range of products for Retail, Wealth Management and Private Banking across all our markets.

By combining our in-house capabilities with external top industry expertise, we provide them with greater choice and access to our global solutions and platforms. We have launched and we are progressing with our in-house brand (**onemarkets**) and are seamlessly integrating Insurance into our offering, with a unique client base for cross-selling.

## Payments Solutions

### Every European client's first choice for payments

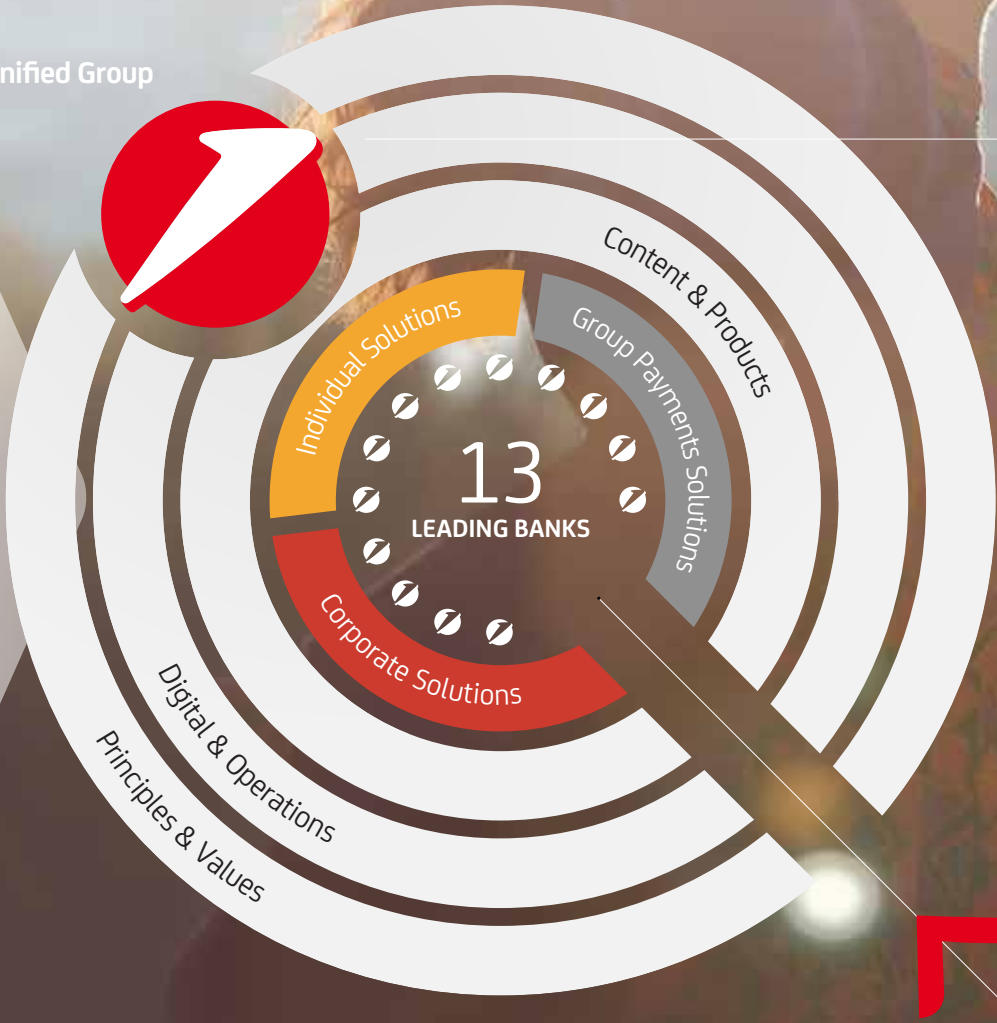
Our unique pan-European footprint, cross-border positioning, payments expertise and advanced data and technology support our Vision of becoming the first choice for payments in Europe. In 2024 we formed a multi-market partnership with Mastercard, while our new Group Payments Solutions factory expanded our international offering and nearly doubled the number of corporates accessing our digital portal since 2021.

# How we create value

➔ Read more on **page 14**

Unified Group

Strategic Partners



Our Partners' Clients

## The strongest performance in our bank's history

2024 record results crowning 16 consecutive quarters of quality profitable growth. All our geographies and product factories demonstrated superior execution and beat all the targets set in 2021. This performance balances excelling in the short-term and preparing for the future and is a testament to the dependability of UniCredit and its people.

### Financial highlights

#### TOP-LINE GROWTH

€24.8bn

##### Gross Revenue

+4.3% FY/FY

+4.0% Net Revenue

#### OPERATIONAL EFFICIENCY

37.9%

##### Cost-to-income ratio

-1.8pp FY/FY

€9.4bn costs, -0.6% FY/FY

#### GOP

€15.4bn

##### Gross Operating Profit

+7.5% FY/FY

#### CAPITAL EFFICIENCY

8.7%

##### Net-revenue-to-RWA ratio

+0.8pp FY/FY

#### ASSET QUALITY

15bps

##### CoR

+2bps FY/FY

#### ORGANIC CAPITAL GENERATION<sup>1</sup>

444bps

€12.6bn

#### BEST-IN-CLASS PROFITABILITY, GROSS REVENUE RoTE

17.7%

RoTE @13%

CET1r 20.9%

#### FY24 INCREASED DISTRIBUTIONS<sup>2</sup>

€9bn

>€26bn total distributions FY21-24

#### RECORD BOTTOM LINE

€9.7bn

##### Stated Net Profit

+2.2% FY/FY

€9.3bn Net Profit

€10.3bn underlying<sup>3</sup>

1. Before considering the impact of strategic investments.

2. Of the cash dividend (€3.73bn), €1.44bn already paid as interim. Of the SBB (€5.27bn), €1.7bn already completed, the balance to be completed pending supervisory and shareholder approvals at AGM and expected to be commenced post completion of BPM offer.

3. Net Profit net of integration costs and RusChemAlliance (RCA) full coverage.



## Sustainability highlights

Thanks to our strong ESG foundations, in 2024 we continued to make progress on our ESG KPIs.

### Environment

Sustainable financial instruments and Net Zero commitments.

→ Read more on **page 83**



We advanced our sustainable financial instruments, reaching a total of €26.9 billion in cumulative green lending since January 2022.

**11**

**Green Bonds issued**

**€6.5bn**

**Total amount of financing from Green Bonds**

### Social

Social financing for initiatives in our communities.

→ Read more on **page 84**



Since 2022, we have provided €13.2 billion in social financing via micro-credit, impact financing and lending to disadvantaged areas.

**€78.1m**

**FY24 contribution to communities**

**c.15,000**

**Hours dedicated to volunteering by our colleagues**

### Governance

ESG-aligned remuneration and solid DE&I framework.

→ Read more on **page 85**



CEO and top management remuneration saw a 20% weighting of long-term performance related to ESG business, DE&I priorities, and climate risk. Furthermore a relevant link to Group's Values and Culture - "**Winning. The Right Way. Together**" goal – is also part of the short-term scorecard.

**+1,500**

**Colleagues across the Group part of Culture Network**

**365**

**Initiatives mapped in the context of our well-being framework**



“

When we launched UniCredit Unlocked we were stepping into a new era for the bank. I believe that we are doing it again and in doing so we will improve even further.”

### Dear Stakeholders,

Since launching UniCredit Unlocked in 2021, our winning Strategy set to achieve our Vision – to be the Bank for Europe’s Future – has also propelled us to become one of Europe’s best performing banks and one that sets ambitions and path for others to follow.

UniCredit’s 2021-2024 transformation has been nothing short of exceptional, achieved while also consistently delivering outstanding financial results quarter after quarter, setting a new benchmark for banking.

We unified, refocused, and galvanized all our people around one single Vision, Strategy, and Culture. We restored trust and empowerment in our 13 banks and our people: all coming together as ONE Group.

We simplified and streamlined our organization, processes, and ways of working, transforming our efficiency while also investing in our people, digital and data, product factories and distribution channels to offer more to our clients.

We have lived by our Values and focused on our fundamental Purpose: to Empower Communities to Progress.

€24.2bn

Net revenue  
+4% FY/FY

>€11bn

Revenues generated  
in our product factories

c.17.7%

RoTE  
Target: 10%

## Letter from the Chief Executive Officer

# 513%

### Total Shareholder Return

Beginning 2021-2024  
3x greater than  
our European peers

# >€26bn

### Total distributions

FY21-FY24  
Target: €16bn

# €12.6bn

### Organic capital generation

In 2024

We continued to honor our ESG commitments with notable social investments, such as our €2.6bn “UniCredit for CEE” initiative and our new Edu-Fund platform, supporting programmes addressing educational deprivation in our communities.

Together this has firmly set out our proven blueprint for banking not only in terms of financial achievements but also in terms of how we should support the communities in which we operate and always attempt doing what is right driving necessary change. This is, we hope, the ambition and path we have set for our sector.

### Record-breaking results

Our 2024 results were the very best in UniCredit’s long history. The most recent quarter marks our 16th consecutive quarter of profitable growth.

Our RoTE reached c.18% notwithstanding the substantial excess capital we still carry, and is best-in-class when adjusted for such excess capital. Our stated net profit reached €9.7bn (€10.3bn underlying). Our organic capital generation of 444bps – equal to €12.6 billion - has allowed us to accrue €9.0 billion to be distributed, while maintaining a CET1 ratio of c.15.9% with ca €6.5bn of excess capital vs our CET1 ratio target.

Our net revenue reached €24.2 billion up 4% year on year further reinforcing the quality of our top line as NII profitability remained best in class and our fees, driven by our rebuilt market leading product factories, reached a top tier 343% of total revenues.

Our operational and capital efficiency also improved further respectively with a CIR <38% and a Net Rev/RWA ratio of 8.7%.

We continued to build our lines of defense to protect and propel our future taking extraordinary charges of €1.3bn.

Over the last 4 years, we delivered Total Shareholder Return of 513%, outperforming our European peers by four times, with total cumulative distributions of €26bn, more than 1.5 times our market cap at the beginning of the period. Our EPS and DPS growth (CAGR) respectively of 48% and 64% speaks for itself. We are the most shareholder-friendly bank in Europe.

### Into a new era


The last four years have laid a firm foundation for our next phase of quality growth. We have prepared ourselves to take the essential next step. We will redouble our commitment to unlock more value from our bank and go beyond the benchmarks we have set. In summary we are now moving to the second phase of UniCredit Unlocked: **Acceleration**.

It will be our attractive geographical presence, client, and business mix, that protected by our unmatched lines of defense and leveraged upon by our team, will allow us to further positively differentiate ourselves from our peers and set a seven-year track record of superior performance through the cycle.

We are both excited about the opportunity we have in front of us and confident we will achieve it.







Our approach is showing the need to reform our single market so it functions as it should, empowering our European communities instead of stifling them.

We are showing the leadership Europe needs on this issue, to support our bloc's structural growth and bring an end to years of economic stagnation.

The power behind our model for banking are the people of UniCredit, united as ONE by a vision, a strategy and a culture we all believe in. who have made it a success. I am both grateful for their efforts and honored to lead them.

When we launched UniCredit Unlocked we were stepping into a new era for the bank. I believe that we are doing it again and in doing so we will improve even further. I believe that, together, we can Unlock our Acceleration!

Yours,



**Andrea Orcel**

Chief Executive Officer UniCredit S.p.A.







UniCredit Bank Czech Republic and Slovakia achieved a consolidated net profit of CZK 10.7 billion in 2024, an increase of 2.3% year-on-year.

### **Dear shareholders, business partners, ladies and gentlemen,**

The year 2024 was a period for UniCredit Bank Czech Republic and Slovakia that brought a number of successes, new challenges and major shifts in the areas that are important to us - digitalisation, innovation and responsible support of communities. The year 2024 was also marked by a noticeable decline in inflation and a slight acceleration in economic growth dynamics in both countries. Together, we delivered strong business results and continued to transform our bank to be increasingly efficient, sustainable and customer-centric.

#### **Results and achievements**

UniCredit Bank Czech Republic and Slovakia achieved a consolidated net profit of CZK 10.7 billion in 2024, an increase of 2.3% year-on-year. Consolidated profit before tax increased by 7.8% year-on-year, despite the higher tax burden caused by the introduction of a new banking tax in Slovakia and the CNB's non-interest-bearing mandatory minimum reserves. This success was supported by growth in client business volumes, an increase in non-interest income,

an excellent cost of risk performance and efficient management of operating costs. Client loan volumes grew by 3.9% year-on-year, while client deposits increased by 13.8%.

In corporate banking, we continued to support the Czech and Slovak economy and strengthen our market position. We recorded a noticeable increase in corporate deposits and focused on the sustainability and healthy development of our loan portfolio. We grew strongly in large corporate, acquisition and structured finance. For example, the Bank played a key role in the record-breaking acquisition of an American small arms ammunition manufacturer by Czechoslovak Group.

In retail banking, we saw a continuation of positive trends. Loans grew by 12% year-on-year, with the most significant growth in the entrepreneurs and small businesses segment (+27%). Interest in investment products also increased, where we recorded a 26% year-on-year increase.

Also of note is the execution of the Significant Risk Transfer (SRT) transaction, a EUR 1.7 billion risk sharing of the loan portfolio. This transaction was key to enhancing our capital efficiency and also includes ESG reporting, which underscores our focus on sustainability and transparency.

### Advances in digitalisation and innovation

Digitalisation remains our key priority in 2024. The number of active users of our digital services increased to 86%. The introduction of digital innovations such as investment products in mobile banking, the Bank ID service and the Digital Overdraft further improved the customer experience.

We have launched virtual cards in Slovakia, which are available in the Czech Republic from 2023. We have also improved the look and feel of our mobile app, which now offers a more intuitive user interface.

We also introduced contactless deposits and ATM withdrawals and focused on improving the availability and security of our digital services.

### Awards and recognition

Jako každý rok jsme byli oceněni za naše výsledky. As every year, we were recognized for our results and work for our clients. *Global Finance* magazine ranked us as one of the best banks for transaction banking and as the Best Sub-Custodian Bank

in Central and Eastern Europe. We were voted the Best Foreign Exchange Bank in the region in *Euromoney's Foreign Exchange Awards* and were also named Best Wealth Management Bank. We are also proud to have been awarded as the *Developer Bank of the Year* in the Mastercard Bank of the Year 2024 competition.

### Helping those in need

Our long-term focus is on sustainability and supporting communities. Together with Mastercard, we are upgrading our debit and credit cards, which are made from recycled PVC and help visually impaired clients. We also support electric mobility and provide convenient financing for electric vehicles and charging stations. In the area of social responsibility, we educate young people on financial literacy, gaining business experience and environmental responsibility.

Hundreds of our colleagues, including members of the Board of Directors, have been actively involved in educational activities for children and young people and have supported a number of charitable projects. Through the group initiative Gift Matching Program, our employees have supported 40 non-profit organisations with CZK 2.3 million to help children and young people in their further development. The UniCredit Foundation will more than double this amount.

We continued to support children's mental health in cooperation with the Markíza Foundation. During Charity Day, we donated to Klokánek and Smile as a Gift, and thanks to our partnership with Mastercard, we put smiles on the faces of children who love football and enabled them to attend the opening matches of the UEFA Champions League.

### **A glimpse into the future**

The year 2025 will be marked by transformation and further innovation. It will also be a year in which we need to respond quickly to changes in the global economy and geopolitical situation. We will continue to develop digital services, streamline operations and strengthen our client relationships. With the support of our colleagues, clients and partners, we are confident that together we will achieve our goals.

Thank you for your trust and partnership. We are proud to have you as part of our journey.

Sincerely,



**Jakub Dušilek**

Chairman of the Board of Directors and Chief Executive Officer  
UniCredit Bank Czech Republic and Slovakia, a.s.



# Financial Highlights – Consolidated

(IFRS audited)

UniCredit Bank Czech Republic and Slovakia, a.s.	31 Dec 2024 MCZK	31 Dec 2023 MCZK
<b>Operating results</b>		
Net interest income	15 632	15 424
Net fee and commission income	4 295	3 662
Administrative expenses	(7 984)	(7 909)
Profit before income tax	13 572	12 576
Net profit after tax	10 700	10 455
<b>Statement of financial position figures</b>		
Total assets	979 288	883 910
Receivables from clients – net value	629 338	601 102
Deposits from clients (without repo operation)	641 499	567 326
Issued capital	8 755	8 755
<b>Alternative performance indicators *</b>		
Return on average assets (ROAA)	1,1 %	1,3 %
Return on average equity (ROAE)	13,9 %	13,2 %
Assets per employee	316,9	279,5
Administrative expenses per employee	2,6	2,5
Net profit per employee	3,5	3,3
<b>Information about capital and capital adequacy</b>		
Tier 1	74 282	79 322
Tier 2	1 384	322
<b>Capital</b>	<b>75 666</b>	<b>79 644</b>
<b>Capital requirement for credit risk under the standardised approach:</b>	<b>4 068</b>	<b>4 278</b>
Capital requirements for exposure to central government or central banks	181	190
Capital requirements for exposure to regional government or local authorities	78	82
Capital requirements for exposure to institutions	14	19
Capital requirements for exposure to businesses	2 057	2 274
Capital requirements for retail exposures	1 398	1 331
Capital requirements for exposures secured by real estate	37	40
Capital requirements for exposures at default	91	67
Capital requirements for high risk exposures	18	60
Capital requirements for equity exposures	125	131
Capital requirements for other items	69	84
<b>Capital requirement for credit risk under the IRB approach:</b>	<b>18 948</b>	<b>21 342</b>
Capital requirements for exposure to central government or central banks	578	535
Capital requirements for exposure to institutions	438	557
Capital requirements for exposure to businesses	13 913	16 398
Capital requirements for retail exposures	3 521	3 430
Capital requirements for other non credit-obligation assets	498	422
Capital requirements for position risk	276	377
Capital requirements for currency risk	–	–
Capital requirements for settlement risk	2	–
Capital requirements for commodity risk	2	3
Capital requirements for operational risk	2 271	2 137
Capital requirements for credit valuation adjustment	46	39
Capital requirement for other risk exposures	3	163
CET1 capital ratio	22,94 %	22,39 %
Tier 1 capital ratio	22,94 %	22,39 %
Total capital ratio	23,37 %	22,48 %
Average number of employees	3 090	3 162
Number of bank branches	104	104



## Reconciliation of equity to regulatory capital (consolidated)

UniCredit Bank Czech Republic and Slovakia, a.s.	31 Dec 2024 MCZK	31 Dec 2023 MCZK
<b>Data from the Statement of Financial Position:</b>		
Share capital	8 755	8 755
Share premium	3 495	3 495
Valuation reserves	(4 166)	(5 411)
Retained earnings, reserve funds and other capital funds	64 498	69 251
Profit for the year	10 700	10 455
<b>Total equity</b>	<b>83 282</b>	<b>86 545</b>
<b>CET1 capital adjustments:</b>		
Profit for the year	(10 700)	(10 455)
Reserve from revaluation of hedging instruments	3 602	4 615
Reserve from revaluation of available-for-sale securities	–	–
Intangible assets	(2 402)	(2 553)
Credit risk adjustments for non-defaulted exposures	3 961	5 034
Anticipated losses for non-defaulted exposures	(2 099)	(2 539)
Effect of companies not included in the prudential consolidation group	(358)	(341)
Other adjustments	(1 004)	(984)
<b>Total CET 1</b>	<b>74 282</b>	<b>79 322</b>
<b>Total Tier 1 (T1)</b>	<b>74 282</b>	<b>79 322</b>
<b>Additional Tier 1 capital adjustments:</b>		
Credit risk adjustments for exposures at default	5 951	5 480
Anticipated losses for exposures at default	(2 771)	(5 991)
Non-deductible surplus above the risk-weighted assets limit	(3 658)	(414)
Other adjustments	1 862	1 247
<b>Total Tier 2 (T2)</b>	<b>1 384</b>	<b>322</b>
<b>Capital</b>	<b>75 666</b>	<b>79 644</b>

### \* Definition of used alternative performance indicators

UniCredit Bank Czech Republic and Slovakia, a.s. publishes Alternative performance indicators in Annual Report according to the Annex 14 to the Decree No 163/2014 Coll.

ROAA (Rentability of average assets) stands for an effective assets base utilisation rate

ROAE (Rentability of average Tier 1 Capital) stands for an effective equity utilisation rate

Assets per employee

Administrative Expenses per employee

Net profit per employee

The Bank states these Alternative performance indicators to compare with other banks on the market, which have the same obligation to publish these indicators.

#### Average total assets:

(Total assets at the end of the year X + Total assets at the end of the year X-1) divided by 2

#### Average tier 1 equity:

(Tier 1 equity in the year X + Tier 1 equity in the year X-1) divided by 2

#### Average number of employees:

The sum of employees at the end of each month in the year X divided by 12

#### Return on average assets (ROAA):

Net profit in the year X divided by the average total assets

#### Return on average tier 1 equity (ROAE):

Net profit in the year X divided by the average tier 1 equity

#### Assets per employee:

Total assets at the end of the year X divided by the average number of the employees

#### Administrative Expenses per employee

Total administrative expenses at the end of the year X divided by the average number of the employees

#### Net profit per employee:

Net profit at the end of the year X divided by the average number of the employees

Where X = 2024 and X-1 = 2023

# Financial Highlights – Separate

(IFRS audited)

UniCredit Bank Czech Republic and Slovakia, a.s.	31 Dec 2024 MCZK	31 Dec 2023 MCZK
<b>Operating results</b>		
Net interest income	14 403	14 195
Net fee and commission income	3 901	3 297
Administrative expenses	(7 394)	(7 340)
Profit before income tax	13 049	12 077
Net profit after tax	10 509	10 256
<b>Statement of financial position figures</b>		
Total assets	970 448	874 079
Receivables from clients – net value	621 523	591 926
Deposits from clients (without repo operation)	641 139	566 998
Issued capital	8 755	8 755
<b>Alternative performance indicators *</b>		
Rentability of average assets (ROAA)	1,1 %	1,3 %
Rentability of average Tier 1 Capital (ROAE)	14,4 %	13,5 %
Assets per employee	347,6	306,9
General Administrative Expenses per employee	2,6	2,6
Net profit per employee	3,8	3,6
<b>Information about capital and capital adequacy</b>		
Tier 1	70 390	75 580
Tier 2	1 475	587
<b>Capital</b>	<b>71 865</b>	<b>76 167</b>
<b>Capital requirement for credit risk under the standardised approach:</b>	<b>670</b>	<b>732</b>
Capital requirements for exposure to central government or central banks	162	169
Capital requirements for exposure to regional government or local authorities	77	81
Capital requirements for exposure to institutions	–	–
Capital requirements for exposure to businesses	68	57
Capital requirements for retail exposures	–	–
Capital requirements for exposures secured by real estate	17	19
Capital requirements for exposures at default	–	13
Capital requirements for high risk exposures	18	60
Capital requirements for equity exposures	328	333
Capital requirements for other items	–	–
<b>Capital requirement for credit risk under the IRB approach:</b>	<b>20 157</b>	<b>24 350</b>
Capital requirements for exposure to central government or central banks	578	535
Capital requirements for exposure to institutions	438	557
Capital requirements for exposure to businesses	15 128	19 411
Capital requirements for retail exposures	3 521	3 430
Capital requirements for other non credit-obligation assets	492	417
Capital requirements for position risk	276	378
Capital requirements for currency risk	–	–
Capital requirements for settlement risk	2	–
Capital requirements for commodity risk	2	3
Capital requirements for operational risk	2 021	1 884
Capital requirements for credit valuation adjustment	46	39
Capital requirement for other risk exposures	3	158
CET1 capital ratio	24,00 %	21,95 %
Tier 1 capital ratio	24,00 %	21,95 %
Total capital ratio	24,50 %	22,21 %
Average number of employees	2 792	2 848
Number of bank branches	104	104



## Reconciliation of equity to regulatory capital (separate)

UniCredit Bank Czech Republic and Slovakia, a.s.	31 Dec 2024 MCZK	31 Dec 2023 MCZK
<b>Data from the Statement of Financial Position:</b>		
Share capital	8 755	8 755
Share premium	3 495	3 495
Valuation reserves	(4 008)	(5 284)
Retained earnings, reserve funds and other capital funds	60 138	65 088
Profit for the year	10 509	10 256
<b>Total equity</b>	<b>78 889</b>	<b>82 310</b>
<b>CET1 capital adjustments:</b>		
Profit for the year	(10 509)	(10 256)
Reserve from revaluation of hedging instruments	3 564	4 645
Reserve from revaluation of available-for-sale securities	–	–
Intangible assets	(2 240)	(2 353)
Credit risk adjustments for non-defaulted exposures	3 981	5 068
Anticipated losses for non-defaulted exposures	(2 122)	(2 652)
Other adjustments	(1 173)	(1 182)
<b>Total CET 1</b>	<b>70 390</b>	<b>75 580</b>
<b>Total Tier 1 (T1)</b>	<b>70 390</b>	<b>75 580</b>
<b>Tier 2 capital adjustments:</b>		
Credit risk adjustments for exposures at default	5 950	5 480
Anticipated losses for exposures at default	(2 771)	(5 991)
Non-deductible surplus above the risk-weighted assets limit	(3 563)	(110)
Other adjustments	1 859	1 208
<b>Total Tier 2 (T2)</b>	<b>1 475</b>	<b>587</b>
<b>Capital</b>	<b>71 865</b>	<b>76 167</b>

### \* Definition of used alternative performance indicators

UniCredit Bank Czech Republic and Slovakia, a.s. publishes Alternative performance indicators in Annual Report according to the Annex 14 to the Decree No 163/2014 Coll.

ROAA (Rentability of average assets) stands for an effective assets base utilisation rate

ROAE (Rentability of average Tier 1 Capital) stands for an effective equity utilisation rate

Assets per employee

Administrative Expenses per employee

Net profit per employee

The Bank states these Alternative performance indicators to compare with other banks on the market, which have the same obligation to publish these indicators.

#### Average total assets:

(Total assets at the end of the year X + Total assets at the end of the year X-1) divided by 2

#### Average tier 1 equity:

(Tier 1 equity in the year X + Tier 1 equity in the year X-1) divided by 2

#### Average number of employees:

The sum of employees at the end of each month in the year X divided by 12

#### Return on average assets (ROAA):

Net profit in the year X divided by the average total assets

#### Return on average tier 1 equity (ROAE):

Net profit in the year X divided by the average tier 1 equity

#### Assets per employee:

Total assets at the end of the year X divided by the average number of the employees

#### Administrative Expenses per employee

Total administrative expenses at the end of the year X divided by the average number of the employees

#### Net profit per employee:

Net profit at the end of the year X divided by the average number of the employees

Where X = 2024 and X-1 = 2023

## Vision, mission and corporate values

UniCredit Bank Czech Republic and Slovakia, a.s. is a successful universal commercial bank covering all financial needs of its clients. We offer our clients a high level of expertise backed by a long tradition and leadership in corporate and private banking as well as an innovative approach in retail banking.

We are the bank of first choice for clients in both our traditional and new strategic segments. We have been one of the leading banks in the Czech and Slovak markets for many years in terms of client satisfaction and we are also an attractive employer.

We are part of the pan-European UniCredit Group. Within this group, UniCredit Bank Czech Republic and Slovakia, a.s. is one of the key banks in Central Europe. The Group perceives our bank as an example of successful dynamic growth in the corporate client segment and especially in the individual client segment. At the same time, in the context of the UniCredit Group, we are a bank with strong investments, digital technologies and services and significant potential for further growth.

We have successfully completed the three-year UniCredit Unlocked strategy and set new goals in the UniCredit Acceleration group strategic plan to strengthen UniCredit's position as the bank for Europe's future

At the same time, in every situation we keep the sustainability of our business in mind, guided by a simple principle that helps us translate these values into everyday life: Do the right things. Full details of the Bank's ESG strategy, results and activities are described in a separate Sustainability statement, which is an integral part of this Annual Report.

## Macroeconomic situation

### The Czech Republic

In 2024, the Czech economy experienced a favourable combination of a decline in inflation and a slight acceleration in economic growth. Price stabilisation took place mainly in goods. In services, some price pressures were evident until the end of the year, but did not prevent a recovery in real wage growth. This boosted private consumption, which became the main driver of GDP growth, which reached 1% year-on-year according to preliminary figures. On the output side, growth was driven by a broad range of services, while gross value added in industry declined in real terms. Weaker investment activity also hampered economic growth, due to business uncertainties and limited absorption of EU funds at the start of the new multiannual perspective.

The retreat in inflation enabled the Czech National Bank to cut interest rates significantly. The drop in the CNB repo rate to by the

end of the year, compared to 6.75% at the beginning of the year, contributed to a recovery in demand for new mortgages, which Czech banks granted by more than 50% year-on-year. Given the standard delay in the transmission of monetary easing, a growth impulse to the Czech economy can be expected mainly in 2025, also thanks to the ECB rate cut, which started with a six-month delay compared to the CNB. The narrowing of the interest rate spread between the koruna and the euro pushed the koruna exchange rate to depreciate against the euro by an annual average of 4.5%. The banking sector remained stable and risk-resilient in 2024, even though lower rates put downward pressure on interest income and even though it was burdened by the CNB's change in the interest rate rules for reserve requirements effective from the last quarter of the previous year. The banks' stability was significantly helped by the continued good financial discipline of businesses and households in repaying loans.

In terms of government policies, 2024 was the year of the implementation of fiscal consolidation measures, which, among other things, limited the year-on-year growth in household net income. However, as a result of the fiscal consolidation, the general government deficit fell below 3% of GDP for the first time in five years. At the same time, the government had to ensure the financing of unplanned expenditure on flood damage repair, which will in real terms weigh mainly on the 2025 budget. The government's long-gestating proposal for changes to the pay-as-you-go pension financing system, which will significantly reduce its future imbalance between expenditure and revenue, also passed through the legislature.

### Slovakia

The Slovak economy grew slightly faster in 2024, averaging close to 2%. The acceleration was mainly due to a strong start to the year, which brought a significant recovery in household consumption. This was driven up by receding inflation and strong real wage growth, as wage indexation often still carried information about past double-digit price growth rates. However, growth weakened during the year. The strong recovery in household consumption gradually faded as food inflation began to reappear and the pace of real wage growth moderated. The annual growth figures from the second quarter onwards were also weakened by a strong base effect in public investment. The recovery of public projects financed by the current budget period and the recovery plan was only gradual and could not fully offset the strong public investment of the previous year. The economy was also not supported by domestic industry, which continued to face weak demand in key European markets, notably Germany.

In response to receding inflationary pressures in the euro area, the ECB launched a new monetary easing cycle in the middle of the year. From June to the end of the year, it cut the key deposit rate by 75 basis points to 3.0%. Despite falling interest rates, banking sector interest yields continued to rise dynamically close to the

10% level. Banks' profits continued to be supported by rising fee income, despite a further slowdown in lending dynamics. Loans to corporates in particular declined under the influence of lower demand for investment finance. The property market and mortgage demand only started to recover towards the end of the year. The banking sector remained stable and resilient to risks. Default rates remained stable near historical lows and did not put pressure on additional provisioning. However, bank profitability was noticeably reduced by the new special bank tax.

A year after the elections, tensions began to emerge within the ruling coalition, but the government still managed to secure the necessary majority in parliament. The necessary fiscal consolidation was postponed until 2025. 70% of the consolidation measures will be implemented on the revenue side of the budget. Higher taxes and fees will burden the corporate sector and households. They will have to cope with higher VAT rates, a new tax on financial transactions and higher taxation of profits.

## Assessment of UniCredit Bank Czech Republic and Slovakia results in 2024

The Group achieved a year-on-year increase in profit, mainly due to an increase in operating income. Significant fee growth, rising customer loans and deposits, together with a low need for loan provisioning and the high quality of the loan portfolio, contributed to the Group exceeding its planned financial results for the year. Loan and deposit volumes grew in both the corporate and retail banking segments. Operating expenses, net of the effect of dissolution/provisioning, increased year-on-year, mainly in personnel costs, reflecting the increase in salaries. As a result of the Group's long-standing highly efficient management of operating expenses and growth in operating income, the Group's cost/income ratio improved year-on-year. The bank's capital adequacy and liquidity ratios have traditionally been well above regulatory requirements.

## Expected economic and financial situation of UniCredit Bank Czech Republic and Slovakia in 2025

The plan for 2025 is based on the assumption of improving macroeconomic developments in an environment of falling interest rates and a similar rate of inflation as in 2024. These macroeconomic expectations will be reflected in the Bank's operating income, where we continue to expect an increase in fees and net interest income due to growth in customer loans and deposits. The Bank will continue to invest in digitalization and optimization of internal processes, which will keep cost growth in line with inflationary expectations. Due to the high provisioning levels of previous years, driven by the uncertain macroeconomic environment, the high quality of the loan portfolio

and the improving macroeconomic environment, the plan envisages a net release of provisions for 2025. The bank's capital adequacy and liquidity ratios will traditionally be well above regulatory requirements.

## Corporate banking

In 2024, we successfully consolidated our strong position in the Czech and Slovak corporate market in the Corporates division despite the difficult macroeconomic environment. We continued to deliver on our strategic objectives and, among other things, achieved significant growth in corporate deposits, outperforming the previous year's client deposit volume by more than 17% to CZK 55 billion.

In the credit area, we focused mainly on the cultivation and healthy development of the portfolio. We focused on targeted reductions in exposures where it was not possible to achieve adequate capital appreciation and on replacing them with new exposures. Even so, we managed to grow our average loan volumes by more than CZK 11 billion, helped, among other things, by our traditionally very strong real estate portfolio, which grew by almost 8% year-on-year. Our importance on the Czech banking market with our real estate portfolio is further evidenced by the fact that we came first in the Developer Bank of the Year category, which we won from Mastercard.

Our ability to provide comprehensive services and our high level of flexibility to our clients has brought us growth in our client base, but has also enabled us to play a key role in a number of corporate financings, including structured finance such as the acquisition of an American small arms manufacturer by Czechoslovak Group.

Another strategic decision for 2024 was to focus on fees, which helped to stabilise revenues from the provision of services to corporate clients in a period of falling rates. We were able to collect over 7% in fees versus the prior year with a significant contribution from loan fees, which outperformed last year by almost 21%.

In the Czech Republic and Slovakia, we continued our long-term strategy of becoming one of the main banking partners of companies in the SME segment. In addition to our individual approach and the preparation of solutions according to the specific needs of our clients, we were also very active in 2024 in providing soft operating and investment loans under local and European guarantee programmes.

We also successfully continued to provide loans with concessional financing secured through the long-term Invest EU guarantee scheme provided by the European Investment Fund (EIF) to support projects focused on innovation and digitalisation as well as clients in the cultural sector. We have further extended this scheme in 2024 with a new option to support businesses with credit focused on long-term sustainability.

For 2025, we are planning to launch further guarantee programmes in cooperation with Slovak Investment Holding, where our bank has signed an agreement on a guarantee programme to support small and medium-sized enterprises (SMEs), and in cooperation with the Czech National Development Bank, where several new financial instruments are under negotiation at the beginning of the year. We will continue to expand our cooperation and the range of financial instruments provided by our partners the European Investment Fund and the European Investment Bank on a pan-European level.

In the past year, we have also invested heavily in automating and simplifying our lending processes, which has enabled us to serve our clients and obtain loan approvals even faster, with a reduced administrative burden on our clients. We will continue to focus on simplification in 2025, and we believe we will continue to improve client satisfaction through these investments.

#### **Advisory & Financing Solutions**

In 2024, the Structured Finance team continued its strategy of actively helping our clients with their financial needs, i.e. not just being a money provider, but being a structuring bank, i.e. a bank that proposes optimal structures for clients to finance their diverse financial requirements. The past year was very successful in this respect, as evidenced by a number of arranging mandates and the conclusion of structurally interesting transactions.

An important feature was accompanying clients in their foreign acquisitions, the most significant of which was the acquisition of Kinetic Group by Czechoslovak Group. We supported this transaction with 100% underwriting of the EUR 1.8bn acquisition bridge (UCG as Sole Underwriter, Facility Agent, Mandated Lead Arranger & Bookrunner) and subsequently coordinating the overall refinancing of the group for EUR 1.545bn (UCG as Global Coordinator, Mandated Lead Arranger & Bookrunner) and arranging USD 734mn of private placement bonds.

Other transactions worth mentioning include the coordination of the CZK 2.4bn refinancing of the Lama Group, the provision of a USD 30mn guarantee and letter of credit facility to Smartwings, the coordination of a EUR 250mn increase for Dr. Max, participation in the financing of C-energy (EUR 127mn) and in the complete refinancing of Cimex/Orea. As bookrunner, I participated in the EUR 1.446bn financing for e& PPF Telecom Group.

Structured Finance Slovakia provides project, acquisition and structured finance for corporate clients based on future cash flow. Our most significant transaction was the coordination of a EUR 3.6 billion club financing for Slovenské elektrárne involving 20 banks, where we also acted as agent and bookrunner. This is the largest ever bank financing provided on the Slovak banking market. In 2024, we also financed several clients in the energy sector. Another interesting transaction was a new loan for Tatry Mountain Resorts as

a leader in tourism as well as co-financing of a locomotive portfolio for spol. Rolling Stock Lease

#### **Debt Capital Markets**

Within the Debt Capital Market Department, we participated in arranging and distributing several major corporate bond issues on the local capital market in 2024, with a total volume of almost CZK 20 billion, for example for the Czech Railways, KKCG, Energo Pro, Passerinvest and Dr.Max groups.

At the same time, the department focused on the bank's own issuance activity in the form of structured investment products intended mainly for retail investors. In 2024, the team was also involved in the preparation and issuance of two proprietary benchmark covered bond issues totalling EUR 1.25 billion under the Eurobond programme.

#### **Real Estate**

In real estate financing, 2024 was again a very successful year, with real estate financing contributing significantly to loan growth in the corporate segment. UniCredit Bank continues to hold a significant position in commercial real estate financing in the Czech Republic and Slovakia, in all major segments of the real estate market - industrial, retail and office properties as well as residential projects.

In the Czech Republic, in 2024, we closed real estate project financing with a total volume of over EUR 700 million, with loans in the industrial, shopping centre and retail park segments, as well as loans for the construction of residential projects, accounting for the largest share of this volume. The most significant transaction of 2024 was the EUR 150m increase in the club loan for the refinancing of the logistics portfolio for CTP, and the second largest loan was the bilateral refinancing of the retail portfolio for Fidurock, with a volume of over EUR 100m. In the residential construction segment, we were also able to close transactions for existing and new clients from developers and investment groups. In view of the recovery of the residential market in 2024, the area of development of these properties has recovered significantly, and thus the demand for their financing. In 2024, UniCredit won the title of Developer Bank of the Year in the Mastercard Bank of the Year competition, confirming its leading role in financing real estate projects.

In Slovakia, we continued to grow the volume of our financed commercial property portfolio in all market segments. A number of major projects in the construction phase financed by our bank reached the important milestone of successful completion. By providing club financing for the Nivy Tower project (owned by HB REAVIS Group), we expanded our presence in the modern Mlynské Nivy area. We managed to establish cooperation with several new major clients from Slovakia and abroad. We continue to actively support developers and investors in all regions of Slovakia with regard to sustainability and ESG project parameters.

### Specialised financing

The Industry Expertise Center, together with the Bank's business network and specialized departments, has been able to support the growth of market position in strategic sectors. These are mainly in the areas of energy and renewable energy, agriculture, public and municipal sector, healthcare and religious entities in the Czech Republic and Slovakia.

In the healthcare sector, our focus in 2024 is on supporting large healthcare facilities by financing investment and operational needs or by purchasing receivables (forfaiting). We were an active part of a working group of the Czech Banking Association, which helped set up a system and process for financing teaching hospitals, which were newly allowed to accept loans thanks to a change in the relevant legislation. The Bank also supported the construction of special care homes, mainly for the elderly, with financing.

We have remained very active in the public and municipal sector, both in terms of its direct financing (infrastructure and social projects) and in terms of managing and evaluating the deposits of regions, cities and municipalities.

UniCredit Bank also has a long-standing presence in the agricultural sector. In the Czech Republic, it continues to support the growth of its market share by creating simple and fast loan products and land financing. In Slovakia, we maintain a leading position in financing the agricultural sector with a high market share in the number of clients served and the size of total exposure.

The year 2024 was marked by a sharp decline in inflation accompanied by sharp cuts in base rates by central banks. This was no different in the Czech Republic, where the CNB cut rates several times to the REPO rate of 4%. Market interest rates were characterised by volatility stemming from uncertainty about the timing and magnitude of central bank activity. Yield curves returned to a positive slope towards the end of the year after a long period. The Bank took the opportunity to invest in fixed-interest securities and increased its position in government bonds significantly. The year as a whole was exceptional in terms of liquidity movements, which tended to fix high interest rates in anticipation of falling rates. The interbank market remained very liquid in all market instruments throughout the year.

The year 2024 was also characterised by a low level of volatility of the Czech koruna against the euro. For most of the calendar year, the koruna moved in a narrow band of 25-25.40 against the euro. The Czech koruna broke out of this band only in January and at the end of May and the end of June, when it briefly strengthened and attacked the level of 24.60 against the euro. The activity of clients in the area of currency hedging in the form of currency derivatives is consistent with the fact that the majority of the Bank's clients are

exporters, and when entering into longer-term currency hedges, client activity increases especially at stronger levels of the koruna. Last year, this was the case at the turn of May and June. Recently, clients have been active mainly in more structured hedging instruments such as TARFs.

In the area of interest rate hedging, the majority of clients choose a systematic approach to hedging against market risks and, at the level of the entire bank, the ratio of loans hedged against interest rates in the corporate segment is maintained at a high level, which significantly contributes to reducing the risk exposure of our clients. In the corporate FX-flow area, volumes are stable with only a slight increase, while the transition of clients to the UC Trader electronic platform is evident in terms of transaction volumes.

### Introduction of new products

In the Acquiring area, the bank implemented a number of unique technical solutions in the area of payment card acceptance at unattended outlets in 24/7 mode. At the same time, we implemented a unique solution for entering the identification code within SoftPOS, where the merchant can identify the end payer in a simple way. This solution is mainly useful for insurance and car rental companies.

In the traditional Cash Management business, we focused on selling cash pool services in an environment of continued elevated market rates. Sales of SWIFT solutions, which clients use to control their accounts across the UniCredit Group, also performed well. We offered SEPA instant payments to clients in Slovakia at the end of 2024, with plans to launch in the Czech Republic after the new year. In the Czech Republic, crown instant payments will also be launched shortly after SEPA instant payments, completing the rollout of fast payments to clients in both markets across all products.

The quality of our service and client solutions in traditional Trade Finance was confirmed by our top ranking in the Euromoney Trade Finance Survey in both markets. Other achievements include the ongoing digitalisation, the use of the new DDE banking application enabling the authorisation of documents with qualified electronic signatures, and the role of lead arranger and issuer of shared guarantees, particularly for large construction contracts.

Trade & Working Capital Sales has successfully supported multiple domestic and international client deliveries with tailored solutions. In cooperation with Export Guarantee and Insurance Company, Inc. ("EGAP"), a newly offered credit insurance product called "Export Oriented Enterprise" was used for several of them. This product enables clients to reach higher limits of bank financing and thus bridge the often financially strained cash flow production phases of export orders. All this, while at the same time the bank uses capital more efficiently, thanks to lower risk costs.



In 2024, we successfully completed the modernization of the core system and client portal in the area of factoring innovation. We have improved the overall efficiency of our client-side financing while increasing client satisfaction. The system change not only brought new functionalities to our clients, emphasizing the elements of a “User Friendly” approach, but also strengthened the security aspect and created the basis for the implementation of new procedural adjustments in line with client requirements.

Digital evolution, both in the short and long term, reinforces our ongoing commitment to quality and excellence in Global Securities Services services. Through new investments, we have continued to enhance systems functionality, streamline processes and improve operational risk management. In the Depository business, we kick-started the implementation of a new state-of-the-art depository system.

The Correspondent Banking division, also in the context of group cooperation, is building on its position as a key player in Central and Eastern Europe. We have successfully opened a new Payment Service Providers segment and are the only bank in the Czech Republic and Slovakia to offer virtual bank services. We also launched a pilot of dynamic FX autoconversion within the group platform. Our innovative capabilities and focus on modern technologies are thus contributing to setting a new service standard in the region.

We continue to focus on a number of large ongoing internal projects to strengthen our digital presence. As part of the Corporate Digital Platform project, corporate and some retail clients will not only be served via a new web application, but will also be able to service their products via a mobile solution. Other projects that continued in 2024 include the introduction of SEPA and CZK instant payments with an expected launch at the end of Q1/2025 in both countries.

In 2024, we also launched a new DDE (Digital Document Exchange) solution within the Corporates division, which enables the secure exchange of digital documentation between the bank and clients, including the possibility of electronic signing. We are therefore now able to resolve most contractual documentation with our clients digitally without the need for printed documentation or manual signing. The application can also issue qualified electronic signatures to all our clients, enabling electronic signatures even for clients who do not yet have their own electronic signature.

Our efforts and quality work have been reflected in a number of awards:

#### **Euromoney**

- Market Leader (CZ / SK / CEE)
- Best Service Provider (CZ / SK / CEE)
- Best SME bank (CZ)

#### **Mastercard Bank of the Year**

- Developer Bank of the Year (1st place)
- Corporate Bank of the Year (3rd place)

#### **Consensus Economics - Forecast Accuracy Award**

- The most accurate estimate of GDP and inflation (CZ / SK)

#### **UniCredit Factoring**

In 2024, we purchased receivables worth CZK 36.24 billion. The average annual financing volume amounted to CZK 4.55 billion and the net profit amounted to CZK 49.7 million.

Although the values of the monitored financial ratios decreased compared to the previous year, we consider our business strategy applied in 2024 to be successful. The 2024 results were mainly influenced by the managed exit of several clients for whom we covered the bridge financing period through factoring. Despite this, non-interest income developed favourably.

Also in 2025, we plan to focus on the acquisition of creditworthy companies that use factoring as a long-term tool for their financial management, and we plan to further develop cooperation with our long-term clients. Going forward, the high quality of our loan portfolio remains a key objective for us, which we will pursue with this strategy, thereby creating the conditions for the stability of our market position.

#### **UniCredit Leasing**

UniCredit Leasing Group, operating in the Czech Republic and Slovakia, confirmed its stable position among the leading providers of non-bank financing in both markets in 2024. Based on consolidated results, UniCredit Leasing CZ, a.s. including its subsidiaries financed movable and immovable assets in both markets with a total volume of CZK 22.4 billion. The number of newly concluded contracts reached 23,174 in 2024. In addition, we recorded a total of 9,923 new clients on our portfolio in 2024, an increase of 11.3% year-on-year. Our business activities during 2024 were influenced by the macroeconomic environment, mainly by the combination of a decline in inflation and a slight acceleration in economic growth. Renewed growth in real wages led to an increase in private consumption. In contrast, corporate investment has been held back by the ongoing downturn in industry, which has been under sustained pressure from high energy prices and the ongoing transition of economies across Europe.

In the past year, we have continued to work intensively on the modernisation and digitalisation of our products and services, and this initiative has brought many positive changes that have affected both the speed and efficiency of our services. We have worked on improving customer relationship management and in improving our internal CRM system. Once again, we have focused closely on retention activities, lead management and sales campaigns, not



least in collaboration with our cooperation partners. We continued to digitalize internal and client processes and expanded the business use of the online calculator in cooperation with selected partners. In both markets, we have traditionally been involved in drawing on multinational funding sources such as the EIB and CEB, as well as guarantee programmes from the EIF.

In the Czech Republic, in cooperation with the National Development Bank, we actively participated in the ELEKTROMOBILITA guarantee programme, which helped to kick-start the renewal and modernisation of the vehicle fleet of companies and entrepreneurs who planned to purchase electric or hydrogen-powered vehicles and charging stations. The aim of the programme was to encourage an increase in the share of alternative fuel vehicles and the construction of charging stations. We will continue to support electromobility as one of the key directions in which the automotive industry is moving, as we believe that electromobility plays an important role in sustainable development and reducing greenhouse gas emissions. The increased availability of charging stations and the support of government programmes in the field of electromobility are contributing to more and more people considering a switch to electric vehicles.

We focused on the practical implementation of ESG principles and rules and continued to actively offer products for financing photovoltaic installations up to the full investment cost. As well as there, we implemented all product and system adjustments triggered by legislative changes in both markets.

In 2024, we focused on the further development of our long-standing business relationships in the Czech Republic and Slovakia, especially in the area of cooperation with importers of passenger and commercial vehicles and motorcycles, as well as agricultural and construction equipment. In a year-on-year comparison, we were successful in increasing the penetration of our financial services in the total sales of our cooperation partners. In addition, in the Czech Republic, we expanded our existing business cooperation with the FORD brand, and from April, in addition to being a branded FORD CREDIT retail finance provider, we became the official exclusive wholesale finance provider to the Ford authorised dealer network. We have been successful in meeting our strategic objectives, in particular the controlled change in the structure of our portfolio in favour of financing cars and commercial vehicles, taking into account the efficiency of the capital invested.

We continued our traditionally successful business cooperation with UniCredit Bank, both with the Corporate and Investment Banking Division and the Retail Division.

## Retail banking

2024 was a successful year for the Retail division. We brought a number of new product innovations to our clients, both in savings

and investments and in lending. Together with our partners, we continued the successful trend of selling insurance products, all while increasing the use of digital channels in both sales and the provision of everyday client services.

After years of above-average client portfolio growth, 2024 was a year of consolidation and focus on premium segments, where the acquisition rate exceeded double-digit year-over-year growth rates. These include small business, small corporate and private and affluent clients. For these clients, we offer our premium range of services primarily in the areas of transaction, deposit and investment products under the Private Premium and Private & Wealth brands. The total number of active clients at the end of the year reached more than 650,000.

In our branches and digital channels, we have focused on providing our clients with a welcoming environment and professional approach in addition to first-class products and expert service. This was reflected, among other things, in a year-on-year increase in the average public rating of our branches on a five-point scale from 2.96 to 3.93.

In addition to the growth of the premium segments, we consider the key business achievements of the year to be the increase in loan volume by more than 11% and in customer deposits by almost 3%. In addition, we increased our market share in all loan categories, both in the Czech Republic and Slovakia. In digital banking, we managed to reach the milestone of 70% of digitally negotiated new accounts and consumer loans, our key digital products. Up to 85% of our primary clients work digitally with us on a monthly basis.

The bank provides a full range of banking products in the retail area - current accounts, savings and investment products, payment cards, housing finance and consumer loans. In cooperation with our strategic partners, we are increasingly focusing on investment products as well as bancassurance. For all these products, the Bank aims to provide innovative products and to make maximum use of electronic channels in distribution.

Our goal in retail and private banking remains to strengthen our market share in credit, deposit and investment products. This is also achieved through concentration on selected segments of the retail market and continuous innovation in product and distribution offerings. We continue to build on our successfully established model of servicing the separate client segments Retail, Private Premium and Private & Wealth. Through this model, we also want to better serve our customers.

## Digital

Digital innovation and the continued modernisation of remote customer service channels were also key to our success in retail banking last year. The growing number of active mobile and digital

clients reinforces our leading position among all UniCredit Group countries and confirms our successful digital strategy.

The most important innovation in 2024 in the digital area for clients was the launch of investments in the Smart Banking mobile app at the beginning of the year. Clients can see their investment portfolio in the mobile app; they can also buy and sell investments. A clear indication of the interest in this service is the number of visits to the investment section, which approached one million by the end of the year. Clients also executed thousands of digital investment orders.

The launch of the digital pre-approved overdraft at the end of the year was similarly successful. Thanks to a simplified and accelerated process on the mobile app, we saw a tenfold increase in sales of this product. In consumer credit, we negotiated nearly 80% of all sales digitally in 2024. In addition, a third of all new consumer loans were arranged remotely by customers themselves.

We have also improved the look and feel of the Smart Banking and Business Smart Banking apps for clients in both countries. The revised look and feel reflects current mobile app design trends with the aim of making the apps clearer, more intuitive and easier to use.

In April, we expanded the Bank iD service for clients to use with private institutions such as health insurance companies, operators, banks and others. The use of Bank iD at UniCredit is also facilitated by logging in to the service directly within the Smart Banking mobile app - a quick and easy solution offered only by UniCredit Bank on the Czech market.

In 2024, we successfully completed the replacement of all ATMs in the Czech Republic. At the same time, we introduced contactless cash withdrawal and deposit at our ATMs. The combination of new hardware, software and contactless functionality has speeded up withdrawals for customers by around three times, reduced breakdowns, reduced repairs, increased security and there is no risk of customers forgetting their cards at the ATM. We have also started to harmonise the system in Slovakia so that we can launch the same functionality here at the beginning of 2025.

The commercial results of the Contact Centre also grew successfully. Last year, we reported a full two-thirds increase in direct sales compared to 2023, mainly due to sales of small insurance products. The number of commercial quotes and appointments for branches also grew by around 15%. Given the strong traffic associated with the bank's switch to Mastercard in Q4, this is also an excellent result.

### Consumer loans

In both countries, we offer four categories of loans as standard: refinancing or rollover loans, simple and quick non-purpose loans for our existing clients, non-purpose loans and purpose-built home loans.

In 2024, we continued to register client interest in PRESTO Půjčky due to the long-term offer of very interesting product parameters. This included interest rate advantages within our existing clients, but also interest rate advantages if clients transferred loans to us from another financial institution. In addition to the discounted rate, we rewarded clients for arranging a certain amount of loan with an amount of up to CZK 24,000.

We continue to offer the possibility to take out a loan without visiting a branch, where the client can obtain the loan in their mobile or online banking. We have also newly added a pre-approved overdraft to Smartbanking. Through the Open digital platform, the process of granting a PRESTO Loan and overdraft is very simple and convenient.

During the year we joined the Repair Grandma's House programme, which is co-funded by the EU Emissions Trading Scheme through the Modernisation Fund. In addition to the PRESTO Loan with the subsidy programme Repair your grandmother's house, we continue to provide the PRESTO Loan for a Better Home (PRESTO Loan for Housing), a special-purpose consumer loan, which clients can use to finance such purposes as Green Energy projects - upgrading residential buildings with energy-saving solutions (heat pumps, solar water heating, home photovoltaics, etc.). In Slovakia, we continue to be involved in the PRESTO OBMOV DOM programme with PRESTO Úverom na lepší domov (under the call of the Slovak Environmental Agency "SAŽP").

In the annual assessment of People in Need - the Responsible Lending Index - we were again ranked at the top of the ranking.

### Mortgages

In 2024, there has been a recovery in the mortgage market, primarily driven by the decline in interest rates in both countries and the realisation of deferred real estate investments.

In the Czech Republic, we recorded the second best trading result in the history of mortgage lending, just behind the record year of 2021. This excellent result was achieved despite the fact that the expectation of a faster decline in market interest rates, which fluctuated a lot during the year, did not materialise. We managed to hold our market share.

We see a gradual recovery in the Slovak mortgage market, coupled with a slight reduction in interest rates, and we are achieving a similar market share as in the Czech Republic.

When refinancing mortgage loans, we have long been successful in reaching our clients with interesting offers, which is reflected in the fact that the vast majority of our clients whose interest rate fixation has ended continue to repay their mortgage with our bank. Under individual retention, we are able to work with a client's overall

profitability and therefore better target retention offers to clients who want to pay off their loan exceptionally.

We have newly introduced a reward for account activity, where we support active clients with a discount on the interest rate. We continue to promote the benefits for responsible customers who insure their ability to repay their loan, for whom we have obtained a lower premium price on the most popular package.

We are also active in ESG, with almost one in five mortgages receiving some type of benefit from us. Whether it's favouring clients who invest in low-energy housing, or supporting young clients who are offered a favourable rate on a higher volume than standard clients who have already saved.

#### **Current accounts**

In 2024, we continued to offer our standard START, OPEN and TOP accounts, as well as premium PLATINUM and INFINITE accounts. The START account offers our clients all the key transaction banking services: bills, electronic payments, credit cards and mobile and internet banking free of charge and without conditions. The OPEN account adds unlimited ATM withdrawals and high-quality travel, credit card and personal belongings insurance. The TOP account offers all the above services in a higher standard. All standard new accounts are available for opening via digital channels. PLATINUM and INFINITE accounts are designed for premium clientele and also include specialised and additional banking services.

#### **Investment products**

A major milestone in the assets under management area was the launch of UniCredit's new onemarkets Fund platform across all retail banking segments in July 2024, following the successful launch of the onemarkets Fund platform for the Private Premium and Private & Wealth segments in 2023.

With onemarkets Fund, we are expanding our investment solution by offering our own actively managed funds for our clients. Our expert teams are constantly creating new investment solutions, drawing not only on their own asset management skills but also on partnerships with prestigious external fund managers. In both cases, UniCredit is actively involved in determining the investment strategy and closely monitors the quality of the funds and the associated risk-return ratio.

The onemarkets brand combines our expertise in investment products such as onemarkets certificates with access to financial markets around the world. In addition, compared to UniCredit's existing investment offering for clients, it includes a unique set of actively managed investment funds for clients with a diverse risk appetite to take advantage of opportunities including bond, equity and mixed funds. Our goal is to offer investment products that are best in class.

In 2024, we saw strong demand in both actively managed funds and structured investment products, where we have traditionally been a major player. UniCredit Bank also made a significant contribution to the distribution of primary issues of selected corporate bond issues in 2024. We are gradually further expanding our investment products to include sustainability themes.

At the beginning of 2024, we brought clients an overview of their investment portfolio in our mobile banking and the ability to actively trade mutual funds without visiting a branch. We will continue to expand the investment functionality of our mobile banking in 2025.

#### **Micro Business**

In the Micro Business and Freelance segments, we have again increased our focus on serving our clients comprehensively in 2024. Here, we place emphasis on understanding the individual needs of each client group, support in all areas of business needs and, above all, on growing the professionalism and expertise of our bankers.

We have improved our product offering for existing clients by increasing credit limits without the need for financial statements.

Our efforts in the Professional Services segment have resulted in a high market share, particularly in the legal profession. We are also succeeding in the medical professions, primarily due to our attractive financing needs of our clients, including financing medical practice buyouts.

#### **Payment cards**

We successfully completed the implementation of a virtual debit card in Slovakia in 2024. In both countries, we introduced a complete new Mastercard portfolio and started the migration of VISA cards to Mastercard.

With an emphasis on ESG, the new Mastercard cards are made of recycled materials, we have extended the validity from 3 to 5 years, we plant a tree for active use of the new card and in case of migration we do not send clients an envelope with a PIN, but we transfer the PIN from the original card. We have launched the additional service Priority Pass Digital, so the client does not have to wait for a plastic card, but can use the service thanks to an application on a smartphone.

In Slovakia, we successfully launched SAFE card and personal effects insurance to unify the offer for our clients in both countries.

In both countries, we've launched wallet extensions for Apple Pay - a convenient way to activate multiple cards at once in your Apple Pay mobile wallet using the bank's mobile app.

#### **Bank insurance**

In 2024, we successfully continued our strategic partnership with Allianz and Generali ČP. More and more of our clients are becoming

aware of the importance of risk-based life insurance, which is why we are further increasing the competence of our colleagues in the branch network. In the field of credit insurance, we are supporting the growth of our clients' interest in this product through digital channels. During the year, we also prepared a single-payment investment life insurance with an attractive investment component "Global Leaders" for our clients in Slovakia.

### Branch distribution network

As in previous years, the renovation of selected outlets in CZ and SK continued in 2024. The Bratislava Aupark and VIVO branches were renovated according to the new UniCredit Bank standards, i.e. the branches have a modern look and equipment. During the year, minor adjustments were made to the opening hours of selected branches and franchises to better accommodate the requirements and needs of our clients.

The number of non-cash branches increased by 1 branch in Prague Eden in 2024, i.e. we have a total of 27 such and 54 non-cash franchises. On the other hand, we have closed the Karviná branch in our branch network.

## Support services

### Risk Management

Emphasis in the area of risk management is placed on the consistent separation of incompatible functions within the bank's organisational structure. The Bank's risk strategies, tools and processes are selected to best match the business strategy and the best knowledge of risk management. The Bank's risk management framework sets limits for a set of indicators forming its Risk Appetite Framework, the development of which is consistently monitored and evaluated.

The Bank manages its credit risk both at the level of an individual business transaction and at the level of the entire portfolio, in accordance with the basic principles defined in the Bank's credit policy and in order to comply with the risk parameters set out in the credit strategy for the relevant year. Also in 2024, the focus was on managing and minimising the impact of, among others, the energy crisis, the conflict in Ukraine, high inflation and high interest rates.

For the purpose of calculating the capital requirement for credit risk, the Bank uses (based on the approval granted by the CNB) the Advanced IRB approach for the majority of its portfolio. The Bank regularly monitors and evaluates the expected loss of its loan portfolio and the expected loss of new business as well as actual realised losses arising from asset impairment.

Based on regulatory approval, the bank has been applying the advanced approach to the calculation of the operational risk capital requirement (AMA) since 2008. In terms of operational risk

management, the most important activities in 2024 included the establishment of measures and procedures in connection with the growing number of attacks using social engineering techniques, as well as the security situation in the world and the ongoing energy crisis.

In the area of market risk management, the Bank manages the risks associated with its trading activities at the level of individual risk types as well as individual types of financial instruments. All limits are monitored in a split between the trading book (Regulatory Trading Book) and the banking book (IRRBB). The basic management tools are limits on individual transaction volumes, limits on portfolio sensitivity (BPV, CPV), stop loss limits (maximum loss limits LWL) and limits for Value at Risk. In 2024, the Bank did not experience any significant events that would lead to a reassessment of the strategy or a significant realignment of the existing limits.

### Asset and liability management

The Bank maintains a long-term surplus of CZK passive liquidity from internal and client sources over CZK financial assets. This surplus was mainly placed by the Bank in the form of reverse repos with the Czech National Bank, to cover the client EUR liquidity gap (through cross-currency swaps), and partly to finance its subsidiaries. The strong liquidity position in CZK allowed the Bank to maintain a low cost of CZK liquidity. The Bank refinances EUR-denominated financial and client assets through client and internal funds, cross-currency swaps and own issues, in particular market issues of EUR-denominated covered bonds.

TLTRO financing from the European Central Bank was fully repaid in March 2024. The subsidiaries also benefit from financing from multinational development banks such as the European Investment Bank. In addition to internal management liquidity ratios, the bank regularly monitors and reports both regulatory liquidity ratios LCR and NSFR. The sufficient distance of these ratios from the minimum threshold demonstrates the bank's strong and sustainable liquidity position.

### Service

The bank's operating activities in the Czech and Slovak Republics were stable during 2024. All the Bank's operating units provided high quality services and improved customer experience and satisfaction. Through continued automation and process optimisation, we increased the efficiency of operational processes in both countries.

There has been no change in the provision of IT services and IT services are provided by the parent company UniCredit S.p.A.

In 2024, the Bank continued to develop IT services and digitalisation, particularly in the areas of payments, mobile and internet banking. For example, incoming SEPA instant payments were launched in the Bank's Slovak branch, and a complete modernisation of the payment

systems and the corporate internet banking system is underway. The development, automation and optimisation of processes have resulted in increased efficiency, availability and reliability of services for clients. The Bank complies with all regulatory and security requirements and continues to emphasise the development of systems that support environmental sustainability and ESG standards.

### People & Culture

People are the heart of UniCredit - what drives our success and long-term growth. They are key players in delivering our strategy and goals. But just as important is the environment we create - a culture that inspires, develops potential, unlocks talent and supports the unique capabilities of each individual. Our values of Integrity, Responsibility and Care, together with the principles of Diversity, Equality and Inclusion, are the solid pillars on which an open and motivating corporate culture is built.

At P&C, we have pushed the boundaries of automation - from a ticketing system with a chatbot that speeds up communication with employees, to digitised succession processes, to state-of-the-art 360° feedback, now fully under our control and in our system. These innovations not only move with the times, but also save time, simplify administration and give us the space to focus on what's really important - people.

We address Generation Z with a clear message - we are here for you. Through external communication, flexible access and opportunities like the Trainee Program, we offer an internship that connects learning to the real world. For juniors with growth ambitions, we've created the Yunique Development Programme to support their career development and open doors to exciting roles. At the same time, we do not forget to cooperate with universities, where we share know-how through lectures, consultations and podcasts. Banking is a field for experts from all walks of life: and we show how to do it.

In the area of employee development and training, we are continuing our efforts to build a learning organisation culture in which continuous development and knowledge sharing are a natural part of everyday work. The transfer of knowledge and skills enables us to make the most of our corporate know-how and contributes to the achievement of corporate goals and results in line with our motto - together as one team.

We therefore continue to pay close attention to the area of learning from others: we actively support and develop our internal mentoring programme, which involved 74 mentoring pairs in 2024, as well as the tutor club, in which more than 80 internal tutors logged almost 1,600 hours in 2024. The number of in-house coaches who work with selected colleagues is also gradually increasing.

Training for new employees in the form of adaptation plans tailored to individual divisions, an extensive range of soft-skill training from

leading suppliers, from which each employee chooses according to his or her needs as part of annual development planning, or the provision of necessary certifications and professional training in accordance with the requirements of the regulator, are a natural part of the development offer. Thus, on average, our employees spent nearly 40 hours on mandatory and optional training last year. Beyond these activities, we also offer specialised development programmes for selected groups of employees, whether for young talent (the Yunique programme), identified successors to managerial positions (the Leader for the Future offer) or tailored to the needs of individual divisions (the Sales Skills Programme for corporate bankers or the Direct to Impact programme for all Finance Division employees).

The Bank respects human and social rights and takes care of the needs of its employees. It has long emphasised open communication with its employees, which is the basis for a stable and motivating working environment.

Transparent and constructive social dialogue between the bank's management and representatives of trade unions in the Czech and Slovak Republics is conducted with the priority of acting in the interests of all employees and maintaining the long-term sustainability of the business model.

A key issue in the area of remuneration in 2024 was the wage increase for 2025. Social dialogue is an integral part of the decision-making process in this area. Another important topic is equal pay, where the Bank continuously monitors and maintains equal pay for men and women in comparable positions and develops processes to ensure compliance with the principle of equal pay as defined by EU regulation.

One of the important milestones in this area was the conclusion of a new collective agreement between the bank and the Slovak trade union. The new collective agreement reflects not only the current needs of employees, but also the dynamic development of the market and the organisation. The agreement is the result of intensive and productive negotiations between the bank's management and trade union representatives, with the main objective of finding a balance between the demands of employee representatives and the bank's strategic objectives. We are thus demonstrating that we can listen to the needs of employees and respond to new trends in order to strengthen mutual trust and create a positive corporate culture.

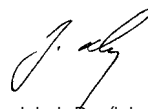
UniCredit Bank has a long-standing commitment to employees who find themselves in a difficult life situation. This support is provided in various ways, depending on the life situation the employee is facing (flexible working hours, reduced working hours, working from home, financial support, unpaid leave, etc.). Each situation is assessed and dealt with individually.



## Statement of the persons responsible for the annual report

To the best of our knowledge, this Annual Report gives a true and fair view of the financial position, business and results of operations of the Bank and its consolidating entity for the year ended 31 December 2024 and of the prospects for the future financial position, business and results of operations of the Bank and its consolidating entity.

25 March 2025



Jakub Dušilek  
Chairman of the Board  
of Directors



Maria-Georgia Sălăgean  
Member of the Board  
of Directors

## Report of the Supervisory Board

The Supervisory Board supervised the implementation of the Bank's business policy and the exercise of the Board of Directors' powers in accordance with Czech law, CNB regulations and the Bank's Articles of Association. The Supervisory Board held five meetings in 2024 and always requested information on all areas of the Bank's activities that had a significant impact on the Bank's financial position and financial management.

The Supervisory Board has reviewed the individual and consolidated financial statements and the financial statements for the Slovak branch of the Bank as at 31 December 2024 and the proposal for the distribution of profit and has not made any comments on them.

The Supervisory Board worked closely with the Bank's Audit Committee on all major matters falling within the remit of both bodies.

Furthermore, based on the financial statements and other documents provided to the Supervisory Board during 2024, the Supervisory Board has not identified any material weaknesses or errors that could lead to the conclusion that the Bank's accounts have not been maintained in accordance with the relevant regulations or that they do not reflect the situation of UniCredit Bank.

25 March 2025

## Basis for calculating the contribution to the Guarantee Fund

in line with Section 129 of Act No. 256/2004 Coll. on Capital Market Undertakings

The basis for the calculation of the contribution to the Guarantee Fund pursuant to Section 129 of Act No. 256/2004 Coll., on Capital Market Business, consists of fees and commissions received for investment services provided.

As at 31 December 2024, the basis for calculating the contribution to the Guarantee Fund was CZK 1,025,015,736.13. The contribution to the Guarantee Fund is 2 % of this amount, i.e. CZK 20 500 314,71.





# Consolidated financial statements

## Consolidated Statement of Comprehensive Income for the year ended 31 Dec 2024

	Note	2024 MCZK	2023 MCZK
Interest income, <i>of which</i> :		36 186	36 676
interest income calculated using the effective interest method		41 473	43 943
Interest expense		(20 554)	(21 252)
<b>Net interest income</b>	(1)	<b>15 632</b>	<b>15 424</b>
Fee and commission income		6 515	5 682
Fee and commission expenses		(2 220)	(2 020)
<b>Net fee and commission income</b>	(2)	<b>4 295</b>	<b>3 662</b>
Dividend income	(3)	5	7
Net income/(loss) from trading	(4)	2 802	2 702
Net income/(loss) from hedging against risk of changes in fair value	(5)	(1)	2
Net income/(loss) from the sale or repurchase of:	(6)	36	200
Financial assets at amortised cost		66	160
Financial assets at fair value through other comprehensive income		(35)	39
Financial liabilities		5	1
Net income/(loss) from financial assets/liabilities at fair value through profit or loss, <i>of which</i> :	(7)	38	102
Mandatorily at fair value		38	102
Other operating income	(10)	1 653	1 201
<b>Operating income</b>		<b>24 460</b>	<b>23 300</b>
Impairment losses on:	(8)	(802)	(290)
Financial assets at amortised cost		(803)	(294)
Financial assets at fair value through other comprehensive income		1	4
Administrative expenses	(9)	(7 984)	(7 909)
Net provisions for risks and charges:	(27)	257	(143)
Loan commitments and financial guarantees given		525	(107)
Other net provisions		(268)	(36)
Depreciation and impairment of property, equipment and right of use assets	(18)	(1 000)	(934)
Amortisation and impairment of intangible assets	(19)	(749)	(915)
Other operating expenses	(10)	(647)	(574)
<b>Operating expenses</b>		<b>(10 123)</b>	<b>(10 475)</b>
Net income/(loss) on property measured at fair value	(18)	3	(8)
Share of profit of equity-accounted investees, net of tax		37	50
Profit/(loss) from the sale of non-financial assets		(3)	(1)
<b>Profit before income tax</b>		<b>13 572</b>	<b>12 576</b>
Income tax	(28)	(2 872)	(2 121)
<b>Profit after tax</b>		<b>10 700</b>	<b>10 455</b>
<b>Net profit attributable to the Group's shareholder</b>		<b>10 700</b>	<b>10 455</b>

The notes on pages 40–121 form an integral part of these financial statements.



## Consolidated Statement of Comprehensive Income for the year ended 31 Dec 2024

	2024 MCZK	2023 MCZK
<b>Items that cannot be subsequently reclassified to profit or loss</b>		
Reserve from revaluation of financial assets at fair value through other comprehensive income, <i>of which:</i>	(1)	–
Change in fair value	(1)	–
Reserve from revaluation of property used in business measured at fair value, <i>of which:</i>	14	(28)
Change in fair value	32	(27)
Transfers to other net equity items	(7)	(7)
Deferred tax	(11)	6
<b>Items that can be subsequently reclassified to profit or loss</b>		
Reserve from revaluation of hedging instruments in cash flow hedges, <i>of which:</i>	1 013	3 390
Change in fair value	2 590	5 715
Revaluation reclassified to profit or loss	(1 420)	(1 643)
Deferred tax	(157)	(682)
Reserve from revaluation of financial assets at fair value through other comprehensive income, <i>of which:</i>	14	(129)
Change in fair value	13	(176)
Revaluation reclassified to profit or loss	5	8
Deferred tax	(4)	39
Foreign exchange rate differences from the consolidation of a foreign branch	211	317
<b>Other comprehensive income, net of tax</b>	<b>1 251</b>	<b>3 550</b>
<b>Other comprehensive income, net of tax, attributable to the Group's shareholder</b>	<b>1 251</b>	<b>3 550</b>
<b>Total comprehensive income, net of tax</b>	<b>11 951</b>	<b>14 005</b>
<b>Total comprehensive income, net of tax, attributable to the Group's shareholder</b>	<b>11 951</b>	<b>14 005</b>

The notes on pages 40–121 form an integral part of these financial statements.

## Consolidated Statement of Financial Position as of 31 December 2024

	Note	2024 MCZK	2023 MCZK
<b>Assets</b>			
Cash and cash balances	(11)	10 113	8 818
Financial assets at fair value through profit or loss, <i>of which:</i>	(12)	25 530	34 156
Held for trading		25 427	33 985
Mandatorily at fair value		103	171
Financial assets at fair value through other comprehensive income, <i>of which:</i>	(13)	55 369	51 953
Provided as collateral		3 543	5 945
Financial assets at amortised cost, <i>of which:</i>		860 003	759 650
Loans and advances to banks	(14)	230 665	158 548
Loans and advances to customers, <i>of which:</i>	(15)	629 338	601 102
Provided as collateral		799	1 763
Positive fair value of hedging derivatives	(16)	10 836	14 312
Changes in fair value of the portfolio of hedged instruments	(35ii)	1 879	1 122
Equity-accounted investees	(17)	341	349
Property, equipment and right of use assets	(18)	7 426	7 084
Intangible assets	(19)	2 402	2 553
Tax receivables, <i>of which:</i>	(28)	2 119	2 285
Current income tax		4	94
Deferred tax		2 115	2 191
Other assets	(20)	3 270	1 628
<b>Total assets</b>		<b>979 288</b>	<b>883 910</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss, <i>of which:</i>		23 840	33 373
Held for trading	(21)	23 840	33 373
Financial liabilities at amortised cost, <i>of which:</i>		843 090	729 271
Deposits from banks	(22)	26 847	33 361
Deposits from customers and Lease liabilities	(23)	702 475	617 386
Debt securities issued	(24)	113 768	78 524
Negative fair value of hedging derivatives	(25)	23 695	29 887
Changes in fair value of the portfolio of hedged instruments	(35ii)	(4 632)	(6 540)
Tax liabilities, <i>of which:</i>	(28)	689	851
Current income tax		111	221
Deferred tax		578	630
Other liabilities	(26)	8 151	9 105
Provisions for risks and charges	(27)	1 173	1 418
<b>Total liabilities</b>		<b>896 006</b>	<b>797 365</b>
<b>Equity</b>			
Issued capital	(29)	8 755	8 755
Share premium	(29)	3 495	3 495
Reserve funds from revaluation		(4 166)	(5 411)
Retained earnings and reserve funds	(31)	64 498	69 251
Profit for the period		10 700	10 455
<b>Total shareholder's equity</b>		<b>83 282</b>	<b>86 545</b>
<b>Total liabilities and shareholder's equity</b>		<b>979 288</b>	<b>883 910</b>

The notes on pages 40–121 form an integral part of these financial statements.

## Consolidated Statement of Cash Flows for the year ended 31 December 2024

	Note	2024 MCZK	2023 MCZK
<b>Profit after tax</b>		<b>10 700</b>	<b>10 455</b>
Adjustments for nonmonetary items:			
Impairment losses of:	(8)	840	290
Financial assets at amortised costs		841	294
Financial assets at fair value through other comprehensive income		(1)	(4)
Revaluation of financial instruments		(1 985)	(1 308)
Net provisions for risks and charges:	(27)	(260)	143
Loan commitments and financial guarantees given		(528)	107
Other net provisions		268	36
Depreciation and impairment of property, equipment and right of use assets	(18)	997	934
Amortisation and impairment of intangible assets	(19)	749	915
Net income/(loss) from the sale or repurchase of:	(6)	35	(39)
Financial assets at fair value through other comprehensive income		35	(39)
Profit/(loss) from equity investments		8	6
Profit/(loss) from the sale of non-financial assets		3	8
Taxes	(28)	2 872	2 121
Unrealised foreign currency gains/(losses)		169	337
Net interest income	(1)	(15 632)	(15 424)
Other non-monetary adjustments (FX revaluation, Accruals and Others)		(4 752)	(6 391)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>(6 256)</b>	<b>(7 953)</b>
Financial assets at fair value through profit or loss, of which:	(12)	10 540	20 494
Held for trading		10 540	20 056
Mandatorily at fair value		–	438
Financial assets at amortised cost, of which:		(99 572)	(111 835)
Loans and advances to banks	(14)	(72 357)	(50 553)
Loans and advances to customers	(15)	(27 215)	(61 282)
Other financial instruments		(74)	3 589
Other assets		(1 647)	(145)
Financial liabilities at fair value through profit or loss, of which:		(9 690)	(19 847)
Held for Trading	(21)	(9 690)	(19 847)
Financial liabilities at amortised cost, of which:		78 851	89 295
Deposits from banks	(22)	(6 346)	(24 620)
Deposits from customers	(23)	85 197	113 915
Other liabilities		(836)	657
Interests received		36 226	35 274
Interests paid		(20 466)	(18 878)
Income tax paid		(3 052)	(2 490)
<b>Net cash flows from operating activities</b>		<b>(15 976)</b>	<b>(11 839)</b>
(Purchase) of financial assets at fair value through other comprehensive income	(13)	(9 294)	(27 746)
Sale and maturity of financial assets at fair value through other comprehensive income	(13)	8 093	8 469
Cash proceeds from the sale of property and equipment and intangible assets		744	609
(Acquisition) of property and equipment and intangible assets		(1 878)	(2 092)
Dividends received		5	7
<b>Net cash flows from investment activities</b>		<b>(2 330)</b>	<b>(20 753)</b>
Dividends paid		(15 256)	(8 923)
Financial liabilities at amortised cost – issue of debt securities	(24)	35 788	43 084
Financial liabilities at amortised cost – repayment of issued debt securities	(24)	(539)	(140)
(Payment) of Lease liabilities	(23)	(392)	(365)
<b>Net cash flows from financial activities</b>		<b>19 601</b>	<b>33 656</b>
<b>Cash and cash balances at the beginning of the period</b>	(11)	<b>8 818</b>	<b>7 754</b>
<b>Cash and cash balances at the end of the period</b>	(11)	<b>10 113</b>	<b>8 818</b>

The notes on pages 40–121 form an integral part of these financial statements.

# Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Issued capital	Share premium	Reserve from revaluation of				FX differences from consolidation	Retained earnings and reserve funds			Profit for the period	Equity
			hedging instruments	financial assets at fair value through other compr. income	property measured at fair value	exchange rate gains/(losses) of a foreign branch		Reserve fund and other capital funds	Special-purpose reserve fund	Retained earnings		
<b>MCZK</b>												
Balance as of 1 January 2023	8 755	3 495	(8 005)	(146)	201	(875)	(204)	5 243	11 609	52 221	9 128	81 422
<b>Transactions with owners, contributions from and distributions to owners</b>												
Allocation of the prior year profit												
Dividend payment										9 128	(9 128)	–
Consolidation impact						20	48			(8 923)		(8 923)
										(27)		41
<b>Total comprehensive income for the current period</b>												
Net profit for the current period												
Other comprehensive			3 390	(129)	(28)	317					10 455	10 455
												3 550
Balance as of 31 December 2023	8 755	3 495	(4 615)	(275)	173	(638)	(156)	5 243	11 609	52 399	10 455	86 545
Balance as of 1 January 2024	8 755	3 495	(4 615)	(275)	173	(638)	(156)	5 243	11 609	52 399	10 455	86 545
<b>Transactions with owners, contributions from and distributions to owners</b>												
Allocation of the prior year profit												
Dividend payment										10 455	(10 455)	–
Consolidation impact						(42)	36			(15 256)		(15 256)
										48		42
<b>Total comprehensive income for the current period</b>												
Net profit for the current period												
Other comprehensive			1 013	13	14	211					10 700	10 700
												1 251
Balance as of 31 December 2024	8 755	3 495	(3 602)	(262)	187	(369)	(120)	5 243	11 609	47 646	10 700	83 282

The notes on pages 40–121 form an integral part of these financial statements.



# Notes to the financial statements (consolidated)

## I. Introduction

### General Information

The UniCredit Bank Czech Republic and Slovakia, a.s. group (hereinafter the "Group") consists of the parent company UniCredit Bank Czech Republic and Slovakia, a.s., a joint stock company (hereinafter the "Bank" or the "Parent Company") with its registered office Želetavská 1525/1, 140 92, Praha 4 – Michle, 10 subsidiaries and 1 associate. The Bank was established through the cross-border merger of UniCredit Bank Czech Republic, a.s. and UniCredit Bank Slovakia a.s. with UniCredit Bank Czech Republic, a.s. being the successor company. The effective merger date was 1 July 2013. Changes in the business name and other facts related to the cross-border merger were recorded in the Commercial Register in Prague, Section B, Insert 3608 on 1 December 2013. The identification number of the Bank is 64948242.

As part of restructuring in UniCredit Group, the Bank's shareholder changed on 1 October 2016 from UniCredit Bank Austria AG to UniCredit S.p.A which is the ultimate parent company of the entire UniCredit Group holding 100% of the Bank's shares. The "UniCredit Group" refers to the group of companies controlled by the UniCredit Bank's parent company UniCredit S.p.A.

Following the completion of the cross-border merger, the Bank has been continuing to perform activities previously undertaken by UniCredit Bank Slovakia a.s. on the territory of the Slovak Republic through its organisational branch UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky (branch of a foreign bank).

### Scope of Activities

The Bank is a universal bank providing services of retail, commercial and investment banking services in Czech crowns and foreign currencies for domestic and foreign clients, mainly in the Czech Republic and also in other states of the European Union.

The Bank's principal activities include:

- Receiving deposits from the public;
- Providing loans;
- Investing in securities on its own behalf;
- Operating a system of payments and clearing;
- Issuing and administration of payment products;
- Providing guarantees;
- Opening letters of credit;
- Administering cash collection;
- Trading on its own behalf or on behalf of clients:
  - In foreign-exchange currency products;
  - In forward and option contracts, including foreign currency and interest rate contracts; and
  - With transferable securities;

- Participating in share subscriptions and providing related services;
- Issuing mortgage bonds;
- Conducting financial brokerage;
- Managing securities, including portfolio management, on behalf of clients;
- Providing depository services and administration of securities;
- Providing depository services for investment funds;
- Conducting foreign currency exchange activities;
- Providing banking information;
- Renting safe-deposit boxes; and
- Conducting activities directly connected with the activities stated above.

Through its subsidiaries and an associate, the Bank additionally provides the following types of services:

- Lease and instalment sale of machinery and equipment;
- Lease to own (lease purchase);
- Lease of cars and instalment sale of cars;
- Consumer and commercial loans granted for the purchase of cars, machinery and equipment;
- Mediation of services and sales;
- Mediation of insurance policies conclusion;
- Purchase, sale and lease of real estate;
- Real estate activities;
- Real estate administration and maintenance; and
- Operational financing by way of factoring local and foreign receivables.

## II. Basis for the preparation of the financial statements

### 1. Statement of compliance

The Consolidated financial statements of the Group (hereinafter also "Financial Statements") for 2024 and comparatives for 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") in Commission Regulation (EC) no. 1126/2008 as amended including valid interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), further "IFRS".

### Purpose of preparation

The purpose of preparing these financial statements in the Czech Republic is to comply with Act on Accounting No. 563/1991 Coll. The Group prepares its financial statements and annual report under special regulation 1606/2002 of the European Parliament and of the Council on the Application of International Accounting Standards (IFRS).

### Basis of preparation

These financial statements were authorised for issue by the board

of directors and are subject to approval at the General Meeting of Shareholders.

These consolidated financial statements were prepared based on the going concern assumption that the Group will continue to operate in the foreseeable future.

The annual separate and consolidated financial statements for 2023 and the profit distribution for 2023 were approved by the Shareholder of the Bank on 8 April 2024.

The bank's sole shareholder was paid a dividend of CZK 10.3 billion in June 2024 and an extraordinary dividend of CZK 5.0 billion in November 2024.

The financial statements are prepared on the accrual basis of accounting whereby the effects of transactions and other events are recognised when they occur and reported in the financial statements of the periods to which they relate and on the going concern assumption.

All presented amounts are in millions of Czech crowns (millions of CZK) unless stated otherwise.

The consolidated financial statements were prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income, derivative contracts, other financial assets and liabilities held for trading, financial assets and liabilities at fair

value through profit or loss, and properties used in business and properties held for investment, all of which have been measured at fair value. The methods for determining fair value are presented in section III. Material Accounting Policies, point 3. Fair Value Measurement Principles. Recognised assets and liabilities that are hedged against the risk of changes in fair value and would not otherwise be measured at fair value are remeasured at fair value to the extent of the hedged risk.

## Regulatory requirements

The Group is subject to the regulatory requirements of the Czech National Bank, which include limits and other restrictions pertaining to minimum capital adequacy requirements, provisioning to cover credit risk, liquidity, interest rates and foreign exchange position of the Group.

## 2. Consolidation

These financial statements are consolidated financial statements and include the Parent company and its subsidiaries (the "Group").

The Bank's ultimate owner is UniCredit S.p.A, Milan, which consolidates the entire UniCredit group in accordance with International Financial Reporting Standards as adopted by the European Union.

Certain subsidiaries maintain their accounts under Czech or Slovak Accounting Standards and the Group makes reclassifications and adjustments to figures under IFRS.

As of 31 December 2024, the consolidation group includes the Parent Company and the following entities (hereinafter "consolidation entities"):

Name of the entity	Business activities	Registered office	Owner	Ownership percentage	Consolidation method
UniCredit Factoring Czech Republic and Slovakia, a.s.	Factoring	Prague	UniCredit Bank Czech Republic and Slovakia, a.s.	100%	Full
UniCredit Leasing CZ, a.s.	Leases	Prague	UniCredit Bank Czech Republic and Slovakia, a.s.	100%	Full
UniCredit Fleet Management s.r.o.	Lease of motor vehicles	Prague	UniCredit Leasing CZ, a.s.	100%	Full
UniCredit pojišťovací makléřská spol. s r.o.	Mediation of services	Prague	UniCredit Leasing CZ, a.s.	100%	Full
RCI Financial Services, s.r.o.*	Financing of motor vehicles	Prague	UniCredit Leasing CZ, a.s.	50%	Equity
ALLIB Leasing s.r.o.	Real estate project company	Prague	UniCredit Leasing CZ, a.s.	100%	Full
CA-Leasing OVUS s.r.o.	Real estate project company	Prague	UniCredit Leasing CZ, a.s.	100%	Full
UniCredit Leasing Slovakia, a.s.	Leases	Bratislava	UniCredit Leasing CZ, a.s.	100%	Full
UniCredit Fleet Management s.r.o.	Lease of motor vehicles	Bratislava	UniCredit Leasing Slovakia, a.s.	100%	Full
UniCredit Broker, s.r.o.	Mediation of services	Bratislava	UniCredit Leasing Slovakia, a.s.	100%	Full
UniCredit Leasing Insurance Services, s.r.o.	Mediation of services	Bratislava	UniCredit Leasing Slovakia, a.s.	100%	Full

\* RCI Financial Services, s.r.o. is an associate that is consolidated using the equity method of accounting. The Group holds 50% minus 1 voting right in this entity and does not exercise control over this entity.

### Changes in the Group during year 2024

There were no changes in the Group in 2024.

### Principles of Consolidation

Control is achieved when the Bank is exposed to, or has rights to, variable returns from its involvement with subsidiary (the investee) and has the ability to affect those returns through its power to govern the relevant activities of the subsidiary. Relevant activities of the subsidiary are those which most significantly affect its variable returns.

Non-controlling interests represent those portions of total comprehensive income and net assets that are not attributable to the owners of the Bank. The Bank has no non-controlling interests.

#### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date of on which control originates to the date on which control ceases to exist. The financial statements of the Bank's subsidiaries are prepared for the same reporting year as that of the Bank and using consistent accounting policies. All intra-group balances, transactions, income and expenses as well as unrealised gains and losses and dividends are eliminated during consolidation.

#### *Associates*

Associates are entities over which the Group has significant (but not controlling) influence on the management or operations of the entity (ie the Group's power to participate in the financial and operating policy decisions of the investee but not control over those policies). The consolidated statement of comprehensive income includes the Group's share in total reported profits or losses of associates using the equity method of accounting, from the date of on which significant influence originates to the date on which significant influence ceases to exist. The consolidated statement of financial position reflects the value of the investment in an associate determined using the equity method of accounting.

#### *Transactions under Common Control*

A business combination between entities or companies under common control is a business combination where all combining entities or companies are ultimately controlled by the same party or parties as prior to and post the business combination and this control is not temporary. For business combinations under common control the Group has adopted the pooling of interest method, i.e. taking over the carrying amounts of the acquired business and concurrently reporting these transactions prospectively, ie without adjustments in comparative periods, with the difference of the consideration transferred and the carrying amount of net assets acquired being recognised directly in equity.

#### *Disclosure of interests in other entities*

IFRS 12 requires disclosure about significant judgments and assumptions used to define the character of an investment in a company or in an agreement, investments in subsidiaries, joint agreements and affiliates and in non-consolidated structured entities. Based on the analysis performed by management, the Group does not have any interest in consolidated structured entities, nor in unconsolidated structured entities.

## 3. Foreign Currency and Foreign Currency Translation

The Czech crown is the functional currency of the Bank and the entities based in the Czech Republic. Euro is the functional currency of the Slovak branch and the entities based in the Slovak Republic (hereinafter also "foreign operations"). The presentation currency of these financial statements is the Czech crown. Assets and liabilities of the foreign operations are translated into the presentation currency using the foreign exchange rate applicable as of the financial statements date. The income statements of the foreign operations are translated using the average exchange rate. The resulting difference arising from the use of various foreign exchange rates is recognised in equity as "Foreign exchange rate gains or losses from the branch" and "FX differences from consolidation". Figures in brackets represent negative amounts.

Transactions in foreign currencies (ie other than the functional currency) are translated to the functional currency using the foreign exchange rate promulgated by the central bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the closing foreign exchange rate at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated to the functional currency at the foreign exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated to the functional currency using the exchange rates at the date when the fair value was measured. Foreign exchange differences arising on translation are recognised in the income statement as "Net income/(loss) from trading".

## III. Material accounting policies

### 1. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

The Group classifies financial instruments in the following categories:

- Financial assets measured at amortised cost ("AC"),
- Financial assets measured at fair value through other comprehensive income ("FVTOCI"),

- Financial assets mandatorily measured at fair value through profit or loss ("FVTPL"),
- Financial assets held for trading ("FVTPL"),
- Financial liabilities measured at amortised cost ("AC") and
- Financial liabilities measured at fair value through profit or loss ("FVTPL").

The Group has applied IFRS 9 approach to the classification and measurement of financial assets that takes into account:

- The business model for managing financial assets and
- Characteristics of contractual cash flows from a specific financial asset.

A financial asset is valued at *amortised cost* if both the following conditions are met:

- The asset is held as part of a business model whose aim is to hold financial assets in order to obtain contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A business model's objective may be to hold financial assets to collect contractual cash flows even when some sales of financial assets have occurred or are expected to occur.

A financial asset is measured at *fair value through other comprehensive income* if both the following conditions are met:

- The asset is held as part of a business model whose aim is achieved by collection of contractual cash flows as well as by sale of financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income can also include investments in equity instrument if they are not held for trading and are designated so on initial recognition.

A financial asset is measured at *fair value through profit or loss* if it is not measured at amortised cost or at fair value through other comprehensive income, or if it is designated at FVTPL on initial recognition.

All financial liabilities of the Group, except for financial liabilities held for trading, financial liabilities designated at FVTPL on initial recognition and hedging derivatives, are measured at amortised cost.

#### a) Business Model Assessment

Business model ("BM") refers to the way the Group manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The following is considered as evidence when assessing which business model is relevant:

- How the performance of the business model (and the financial assets held within that business model) is evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed;
- How managers of the Group are compensated (eg whether compensation is based on the fair value of the assets managed or the contractual cash flows collected);
- The frequency, value and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity; and
- Whether sales activity and the collection of contractual cash flows are integral or incidental to the business model.

The business model is determined at a level that reflects the way groups of financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument but is determined at a higher level of aggregation.

The business model assessment resulted in the following business models of the Group:

*Business model "Held to collect"* comprises the banking book and was assigned mainly to the lending portfolio and the portfolio of debt securities that are held with the intention to collect contractual cash flows.

Although the objective of the business model is to hold financial assets in order to collect contractual cash flows, the entity need not hold all of those instruments until maturity. Thus this business model can be to hold loans and bonds to collect contractual cash flows even where limited sales of financial assets occur or are expected to occur in the future.

Sales are consistent with the held-to-collect business model in the following situations:

- The sales are due to an increase in the credit risk of a financial asset;
- The sales take place close to the maturity of the financial asset and the proceeds from the sales approximate the collection of the remaining contractual cash flows;
- The sales are infrequent (even if significant), or are insignificant individually and in aggregate (even if frequent).

The *business model "Held to collect and sell"* comprises the banking book and was assigned mainly to:

- The portfolio of debt securities whose objective is achieved by both collecting contractual cash flows and selling financial assets; these

are used primarily for liquidity, interest and duration management, and

- Equity instruments irrevocably designated at FVTOCI on initial recognition.

The “Other” business model was assigned to financial instruments (debt securities, derivatives and equity instruments) that are not allocated to any of the above business models and the main strategy is:

- Trading:
  - To realise cash flows through sale of the assets or
  - To manage the instruments actively on fair value basis in order to realise fair value changes arising from market factor changes like yield curves, credit spreads etc.
- Managing Risk Weighted Assets, or
- Liquidity and interest rate management up to one year.

#### b) Analysis of Contractual Cash Flow Characteristics

For the classification of financial assets based on the new IFRS 9 categories, the analysis of the business model is complemented by the analysis of the contractual cash flows – assessment whether the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest (“SPPI Test”). This analysis is only performed at initial recognition of the instrument.

For this purpose, interest is defined as a consideration for the time value of money, the credit risk associated with the principal during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

This analysis is performed for loan products either at “contract template” level for standardised products, or at contract by contract level for tailored corporate loan contracts. For securities, the analysis is performed at ISIN level using mainly an external data provider.

#### Modified Time Value of Money

The time value of money is the element of interest that provides consideration for the passage of time. It does not take into account other risks (credit, liquidity, etc) or costs (administrative, etc) associated with holding a financial asset.

In some cases, the time value of the money element may be modified (imperfect). This is the case, for example, if a financial asset’s interest rate is periodically reset but the frequency of that reset does not match the tenor of the interest rate. In this case, the Group must assess the modification to determine whether the contractual cash flows still represent solely payments of principal and interest, ie the modification term does not significantly alter the cash flows from a perfect benchmark instrument. For this assessment, the Group uses a Benchmark tool developed at UniCredit Group level.

#### c) Recognition and Measurement of Financial Assets

##### Financial assets at amortised cost

“Financial assets at amortised cost” are recognised in the Group’s accounting books from the moment of settlement. Foreign exchange gains and losses and impairment losses are recognised in the Group’s income statement from the trade date.

Financial assets at amortised cost are measured initially at fair value, including transaction costs. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest rate method.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts during the expected life of the financial asset or liability to the gross carrying amount of the financial asset or amortised cost of the liability. The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on the acquisition of the financial asset, as well as fees and costs that are an integral part of the EIR. The Group recognises interest income using an effective interest rate over the expected life of the financial asset at amortised cost. For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest alters the effective interest rate.

Financial assets at amortised cost represent cash and cash equivalents, loans and advances to banks, loans and advances to customers and debt securities.

“Purchased or originated credit-impaired financial assets” (POCI) are financial assets that are credit-impaired on initial recognition. The Group recognises POCI when additional significant financing, net additional of collaterals, is granted to a credit-impaired borrower. The Group identified no POCI assets during 2024, or in 2023.

POCI is measured at amortised cost using credit-adjusted EIR. On initial recognition, POCI assets do not carry an impairment allowance. Instead, lifetime expected credit losses are incorporated into the calculation of the credit-adjusted EIR. The credit-adjusted EIR is calculated using the expected cash flows inclusive of future lifetime expected credit losses – ie the estimated contractual cash flows are reduced by lifetime expected credit losses. For subsequent measurement, the expected credit losses for POCI assets are measured as lifetime expected credit losses. However, only the cumulative changes in lifetime expected credit losses since initial recognition are recognised as a loss allowance, and not the total amount of expected credit losses.

Interest income on POCI, is calculated using the credit adjusted EIR applied to the amortised cost of financial asset.



Gains and losses arising from financial assets carried at amortised cost are recognised in the income statement when the financial asset is derecognised (in the item *"Net income/(loss) from the sale or repurchase of: Financial assets at amortised cost"*) or impaired (in the item *"Impairment losses on: Financial assets at amortised cost"*), and through the amortisation process in the item *"Interest income"* using the effective interest rate method.

#### Financial assets at fair value through other comprehensive income

*"Financial assets at fair value through other comprehensive income"* are recognised in the Group's accounting books from the moment of settlement. Any gains or losses arising from changes in the fair value of the assets are recognised in the Group's other comprehensive income since the trade date; impairment losses are recognised since the trade date.

Financial assets at FVTOCI are measured initially at fair value, including transaction costs. Subsequent to initial recognition, these financial assets are measured at fair value.

Gains and losses arising from a change in the fair value of debt instrument assets at fair value through other comprehensive income are recognised in other comprehensive income and become the equity item *"Reserve funds from revaluation"*, with the exception of expected credit losses that are reported in the income statement as *"Impairment losses on: Financial assets at fair value through other comprehensive income"*. When financial assets are sold, transferred or otherwise disposed of, the cumulative gain or loss recognised in equity is transferred to the income statement as *"Net income/(loss) from the sale or repurchase of: Financial assets at fair value through other comprehensive income"*. Interest income from fair value through OCI debt securities is recognised in the income statement as *"Interest income"* using the effective interest rate method.

Financial assets at FVTOCI include debt instruments and equity instruments (designated at FVTOCI on initial recognition).

*"Equity instruments designated at FVTOCI on initial recognition"* – on initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This decision is made on an investment-by-investment basis for each investment and covers strategic interests. Subsequent changes in fair value from revaluation are recognised during the life of the equity instrument in the item *"Reserve funds from revaluation"* and, on its derecognition, the subsequent changes are not recognised in the income statement. After derecognition of the investment, the final cumulative changes in fair value are transferred to retained earnings.

Dividend income from equity instruments is recognised in the income statement in *"Dividend income"* on the date the dividend is declared.

#### Financial assets at fair value through profit and loss

*"Financial assets at fair value through profit or loss"* are recognised in the Group's accounting books from the moment of settlement. Any gains or losses arising from changes in the fair value of the assets are recognised in the Group's income statement since the trade date.

Initial and subsequent measurement of the financial assets at fair value through profit or loss is at fair value.

Financial assets at FVTPL include financial assets:

- Held for trading (debt instruments or derivatives)
- Mandatorily at fair value
- Designated at FVTPL on initial recognition.

*"Financial assets at fair value through profit or loss: Held for trading"* include instruments held by the Group principally for the purpose of short-term profit taking. These instruments include investments in debt and equity instruments, certain purchased receivables and derivative contracts that are not designated as hedging instruments.

A gain or loss arising from sale or redemption, or a change in the fair value of a held for trading financial asset is recognised in the income statement in the item *"Net income/(loss) from trading"*, including gains or losses related to derivative contracts that are linked to assets and/or liabilities designated at fair value. Interest income from financial assets held for trading is recognised in the income statement in the item *"Interest income"*. If the fair value of a financial instrument falls below zero, which may happen in the case of derivative contracts, it is recognised in the item *"Financial liabilities at fair value through profit or loss: Held for trading"*.

All purchases and sales that require delivery within the time frame established by regulation or market convention (*"regular way"*) are recognised as *spot transactions*. Regular way transactions / spot transactions are recognised at the settlement date, which is the date when a financial instrument is delivered. Transactions that do not meet the regular way settlement criteria are treated as derivatives.

A *derivative* is a financial instrument or other contract that has all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (usually called the *"underlying"*), provided for a non-financial variable that the variable is not specific to a party to the contract;
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- It is settled at a future date (except for regular way transactions).

Sometimes, a derivative may be a component of a combined financial instrument that includes a host contract and a derivative (the embedded derivative) effecting cash flows or otherwise modifying the characteristics of the host instrument. An embedded derivative must be separated from the host instrument and accounted for as a separate derivative if, and only if:

- The host instrument is not a financial asset pursuant to IFRS 9;
- The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
- A separate financial instrument with the same terms as the embedded derivative would meet the definition of a derivative as a stand-alone instrument; and
- The host instrument is either not measured at fair value or it is measured at fair value but changes in fair value are recognised in other comprehensive income.

When an embedded derivative is separated, the host contract is accounted for according to its accounting classification.

Derivatives are recognised in the Group's accounting books from the trade date. Derivatives are recorded at fair value and carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of the assets are recognised in the Group's the income statement in the item *"Net income/(loss) from trading"* since the trade date.

Derivatives are classified as trading derivatives unless they qualify as hedging instruments in effective hedging. For hedging derivatives policy, see section III. Material Accounting Policies, point 4. Hedging Derivatives.

Financial assets are classified as *"Financial assets at fair value through profit or loss: Mandatorily at fair value"* if they do not meet the conditions, in terms of business model or cash flow characteristics, for being measured at amortised cost or at fair value through other comprehensive income. The following assets are classified in this portfolio:

- Debt instruments, securities and loans for which the business model is neither held to collect nor held to collect and sell but which are not part of the trading book;
- Debt instruments, securities and loans with cash flows that are not solely payment of principal and interest;
- Units in investment funds;
- Equity instruments not held for trading for which the Group does not apply the option granted by the standard of valuing these instruments at fair value through other comprehensive income.

Gains and losses from *"Financial assets at fair value through profit or loss: Mandatorily at fair value"*, whether realised or unrealised,

are recognised in the item *"Net income/(loss) from financial assets/liabilities at fair value through profit or loss: Mandatorily at fair value"*. Interest income from financial assets mandatorily at fair value is recognised in the income statement as *"Interest income"*.

*"Financial assets at fair value through profit or loss: Designated at FVTPL"* – the Group has the option at initial recognition to irrevocably designate a non-derivative financial asset as at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency, ie an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognising the gains and losses on them on a different basis. In 2024 and in 2023 the Group held no such assets.

These assets are accounted as for financial assets held for trading however gains and losses, whether realised or unrealised, are recognised in the item *"Net income/(loss) from financial assets/liabilities at fair value through profit or loss"*.

Interest income from financial assets designated at FVTPL is recognised in the income statement as *"Interest income"*.

#### **d) Modification and Derecognition of Financial Asset**

A financial asset is derecognised when the rights to contractual cash flows from an asset expire or the Group transfers the financial asset and the transfer qualifies for derecognition. This occurs when the rights are realised, expired or surrendered.

Assets measured at fair value through other comprehensive income and assets at fair value through profit or loss that are sold are generally derecognised and the corresponding receivables from the buyer are recognised at the settlement date.

The Group also derecognises a financial asset (derecognition accounting) if its contractual conditions have been modified to such an extent that the related cash flows have been materially changed. The new financial asset is classified in stage 1 for the purposes of ECL calculation unless it is credit impaired, in which case it is classified as POCI.

When assessing whether the change is a material change in contractual cash flows, the Group considers the following factors:

- Change in the currency of the loan;
- Change of the debtor;
- Change causing failure to meet the SPPI test; and
- Change for business reasons (eg maturity extension, change in interest rate).

If the change of contractual conditions does not materially affect the related cash flows, the financial asset is not derecognised. In such case, the Group recognises gains or losses from modification (modification accounting), representing the difference between:

- The present value of modified expected cash flows (disregarding the credit losses) discounted using the original EIR and
- The current gross carrying amount.

This difference is recognised in the income statement under the item “Modification gains/ (losses)”. In subsequent accounting periods, the modification gains/losses are amortized till the maturity date of the financial asset. This amortization is recognised in the income statement under the item “Interest income”.

Changes in contractual cash flows due to the forbearance measure (aside from a change of debtor, change of loan currency or change causing a failure to meet the SPPI test as if performed at the modification date) are considered to be changes that do not significantly affect the related cash flows.

#### e) Write-offs

The Group writes off a financial asset or a part thereof when it has no reasonable expectations of recovering the respective cash flows (from the receivable itself or the collateral received). When performing a write-off, the gross carrying amount of the asset is reduced together with the related loss provision. Direct write-offs and recoveries on written-off loans are reported in the line “*Impairment losses on: Financial assets at amortised cost*”.

The receivable is written-off when:

- The expected costs of recovery of the receivable are higher than its expected recovery;
- All collaterals have been realized and no further performance can be expected;
- Defaulted unsecured receivable for which no performance has been accepted in the last 36 months and no legal action has been initiated during this period;
- Termination of bankruptcy against the debtor due to lack of assets or after meeting the schedule resolution;
- Dissolution of a legal entity without a legal successor (eg liquidation) or death of a natural person, when partial satisfaction has already occurred or cannot be satisfied at all.

Financial assets written off which are subject to further enforcement are recorded in the off-balance sheet. If the Group, after writing off a financial asset, collects additional amounts from the client, the additional recovery is recognised in the income statement under the item “*Impairment losses on: Financial assets at amortised cost*”.

#### f) Recognition, Measurement and Derecognition of Financial Liabilities

“*Financial liabilities at amortised cost*” comprise financial instruments (other than liabilities held for trading or those designated at fair value) representing the various forms of third-party funding. Financial liabilities at amortised cost include deposits from banks, deposits from customers and debt securities issued.

These financial liabilities are recognised at the settlement date initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortised cost using the effective interest rate method. Such interest is recognised in the item “*Interest expense*”.

“*Debt securities issued*” are recognised net of repurchased amounts; the difference between the carrying value of a liability and the amount paid to buy it is recognised in the income statement in the line “*Net income/(loss) from the sale or repurchase of: Financial liabilities*”. Subsequent disposal by the issuer is considered as a new issue which does not produce gains or losses.

The item “*Financial liabilities at fair value through profit or loss*” includes financial liabilities held for trading and financial liabilities designated at FVTPL on initial recognition. Related interest is recognised in the item “*Interest expense*”.

“*Financial liabilities at fair value through profit or loss: Held for trading*” include financial instruments held by the Group principally for the purpose of short-term profit taking. These instruments include short sales (obligations to deliver financial assets borrowed by a short seller (ie an entity that sells financial assets it does not yet own)) and derivatives that are not designated as hedging instruments.

“*Financial liabilities at fair value through profit or loss: Held for trading*”, including derivatives contracts, are measured at fair value on initial recognition, as well as on each reporting date subsequent to the initial recognition of the transaction.

A gain or loss arising from sale or redemption or a change in the fair value of a held for trading financial liability is recognised in the income statement in the item “*Net income/(loss) from trading*”.

“*Financial liabilities at fair value through profit or loss: Designated at FVTPL*” – financial liabilities, like financial assets, may also be designated, according to IFRS 9, on initial recognition as measured at fair value, provided that:

- This decision provides more relevant information as:
  - It excludes or significantly reduces the measurement or accounting mismatch that could otherwise arise during the measurement of assets or liabilities or recognition of the respective profits or losses on a different basis; or
  - The group of financial liabilities or financial assets and financial liabilities is controlled and its performance assessed based on fair value and in line with a documented risk management strategy or investment strategy and information on this group is internally transferred to key managers of the Group on this basis; or
- The contract contains one or more embedded derivatives and the host contract is not an asset subject to IFRS 9, the Group

can include the entire hybrid contract in this category, with the exception of cases where:

- The embedded derivative does not significantly change the cash flows that would otherwise be required by the contract; or
- It is clear from the first assessment of a similar hybrid instrument that the exclusion of the embedded derivative is not permitted;
- The financial liability that arises when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

This category may also include financial liabilities represented by hybrid (combined) instruments containing embedded derivatives that otherwise should have been separated from the host contract.

Financial liabilities presented in this category are measured at fair value at initial recognition as well as during the life of the transaction. The changes in fair value are recognised in the income statement in the item *“Net income/(loss) from financial assets/liabilities at fair value through profit or loss”*, except for those changes in fair value related to changes in credit risk of these financial liabilities (so-called own credit risk). In this scenario, the changes in fair value are recognised in the item *“Reserve funds from revaluation”* related to other comprehensive income. If such accounting treatment results in an inconsistency that arises from the application of different methods of measuring assets and liabilities, and related gains or losses, then the changes in fair value deriving from changes in credit risk are also recorded in the income statement in the item *“Net income/(loss) from financial assets/liabilities at fair value through profit or loss”*.

In 2024 and in 2023 the Group held no such liabilities.

The Group derecognizes a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished – i.e. when the obligation specified in the contract is discharged or cancelled or expires.

#### g) Reclassification of Financial Instruments

Financial instruments are not reclassified subsequent to their initial recognition aside from reclassification in the reporting period after a change in the respective business model.

Reclassifications are expected to be very infrequent. Such changes must be determined by the Group's key management personnel as a result of external or internal changes and must be significant to the Group's operations and demonstrable to external parties.

The following external or internal changes may result in a business model change:

- Changes in laws and regulations concerning certain assets that obliges the entity to review its business model;

- Changes in strategy concerning certain asset's class, asset's geography, product type;
- Business combinations that induce the entity to review its business model concerning certain financial assets;
- The Group begins or ceases to perform an activity that is significant to its operations.

The following are not considered to be changes to a business model:

- A change in intention related to specific financial assets (even in circumstances of significant changes in market conditions);
- A temporary disappearance of a particular market for financial assets; or
- A transfer of financial assets between parts of the entity with different business models.

Any reclassification is applied by the Group prospectively, so the Group does not adjust any previously recognised gains, losses (including impairment gains or losses) or interest.

Investments in equity instruments that are designated as at FVTOCI at initial recognition and financial assets at fair value through profit or loss that are designated as at FVTPL may not be reclassified, as a decision to designation is irrevocable.

#### h) Day 1 Profit/Loss

If the transaction price differs from the fair value of a financial asset or financial liability measured at fair value, the difference between these values (profit or loss) is reported in the income statement, except for Level 3 fair value measurement. The Group typically does not conduct this type of transactions with Day 1 Profit/Loss.

## 2. Impairment of Financial Instruments

The Group recognises impairment losses on its debt financial instruments, other than those measured at FVTPL, its lease receivables and its off-balance credit risk exposures arising from financial guarantees and loan commitments. The impairment is based on expected credit losses whose measurement reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supporting information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For reporting and provisioning purposes, the Group uses a three-stage model in line with IFRS 9 that takes into account changes in credit risk since initial recognition (“staging”):

- Stage 1 includes financial assets with a credit risk which has not increased significantly since initial recognition, as well as assets with low credit risk at the balance sheet date. The 12-month expected credit losses (or shorter depending on the maturity

of the instrument) are recognised for these assets. Interest income is calculated on the basis of the gross carrying amount of assets.

- Stage 2 includes credit exposures that, although performing, have seen their credit risk significantly deteriorating since initial recognition. Full lifetime expected credit losses are recognised for these assets. Interest income is calculated on the basis of the gross carrying amount of assets.
- Stage 3 includes impaired credit exposures. Full lifetime expected credit losses are recognised for these assets. Interest income is calculated on the basis of the net carrying amount of assets. This category includes non-performing receivables.

Impairment models are adapted to comply with the accounting requirements stated in IFRS 9, and also follow the "Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses" issued by EBA.

Subject to expected losses calculation are financial assets at amortised cost and the applicable off balance sheet exposures (such as loan commitments and financial guarantee contracts), all credit exposures assets classified at Fair Value through Other Comprehensive Income and Lease receivables.

Furthermore, specific adjustments are developed to the Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD) parameters used for regulatory reporting purposes (Basel) to compound the Expected Credit Loss (ECL), and a model is developed to assess the Stage Allocation on unimpaired assets, at transaction level, between Stage 1 and Stage 2.

The main difference between the two stages is the time horizon which the ECL is expected to be calculated on.

On LGD and EAD specific adjustments are applied to parameters already calculated for "regulatory" purposes, in order to ensure full consistency, net of different regulatory requirements, between regulatory and accounting treatment. The main adjustments are to:

- Remove the conservatism only required for regulatory purposes;
- Introduce a "point in time" adjustment, instead of the "through the cycle" adjustment embedded in the regulatory parameters;
- Include forward-looking information; and
- Extend the credit risk parameters in a multiyear perspective.

As for PDs, dedicated lifetime PD curves are developed for each main client segment based on cumulated default rates, and are calibrated to reflect a point in time and forward-looking expectation regarding portfolio default rates.

The Expected Credit Loss derived from such adjusted parameters is also compounded taking into consideration macroeconomic forecasts.

A key aspect deriving from the model when compounding the final Expected Credit Loss is the stage allocation model, which allocates credit transactions between Stage 1 and Stage 2 (Stage 3 being equivalent to Impaired assets). Stage 1 mainly includes (i) newly originated exposures, (ii) exposures with "no significant increase in credit risk since initial recognition" or (iii) "low credit risk" exposures at the reporting date.

Stage 2 allocation assessment includes a combination of relative and absolute triggers. Relative triggers are:

- The relative comparison, at transaction level, between the PD at origination and the PD at each reporting date, both calculated through internal models, with thresholds set to each tower, segment, rating class at the initial recognition and remaining maturity. This procedure assesses whether there has been a material deterioration in credit quality since initial recognition with the life-time PD values (so called AP7/9 approach);
- additional relative trigger was introduced in May 2022 which assigns stage 2 to exposures having current PD higher than triple of the PD at origination.

**Low credit risk exemption (LCRE)** – specific condition allowing to keep stage 1 to exposures even if exceeding one of the two of relative triggers but only if the actual PD is lower than 0.306%.

Absolute triggers for stage 2 assignment are following:

- Exposures being overdue more than 30 days;
- new classifications to Forborne;
- transfer to Watchlist 2 process;
- having internal rating 8+ or 8.

Additionally, to the above mentioned stage 2 triggers, there is a rule of 3-months Minimum Time Permanence (MTP) in place in place which assures the assignment of stage 2 for at least 3 continuous months. Such forced stage 2 assignment is performed in case none of stage 2 trigger is active anymore and the exposure was categorized in stage 2 for less than 3 continuous months. Such rule is not valid for Forbearance trigger where the stage 2 assignment is fully symmetrical with the Forbearance classification.

The Group uses the "client default" definition in line with Regulation No. 575/2013 of the European Parliament and of the Council and with Final Report Guidelines on the application of the definition of default (EBA/GL/2016/07); specifically, a debtor's default involves situations where:

- a. The debtor is in default with at least one repayment of the principal or related interest on any of its payables to the Group for a period greater than 90 days; and/or
- b. It is likely that the debtor will be unable to settle its payables on a timely basis and in full without the Group resorting to realising collateral.



Standard cases where the debtor will be unable to settle its payables:

- Changes in contractual cash flows due to granting relief to the debtor (the “forbearance measure” from which the bank takes a loss);
- The loan has been restructured or deferred for a long period;
- The debtor has committed credit fraud or has violated the financial commitments of the loan;
- The debtor is dead or insolvent;
- It is probable that the debtor will enter into bankruptcy or legal restructuring of its debts, etc.

In this evaluation, expected disposal scenarios are also considered as far as UniCredit Group Non-Performing Assets Strategy foresees the recovery of defaulted assets via their transfer.

When defining the perimeter of impaired assets, the Definition of Default currently applied by UniCredit Group has been adopted, which incorporates some of the key principles embedded in the Definition of Default guidelines issued by EBA, such as the assessment of impairment or default by considering the overall exposure to a given debtor (so-called “debtor approach”).

#### *Financial assets at amortised cost*

Financial assets at amortised cost predominantly include loans and advances to banks, loans and advances to customers and trade receivables and are reported net, ie reflecting impairment losses.

Individual impairment losses adjust the carrying amount of individually assessed financial assets at amortised cost to their recoverable amount. The recoverable amount of financial assets at amortised cost is set as the present value of expected future cash flows discounted with the original effective interest rate of the financial instrument.

Expected cash flows from the individual asset portfolios with the same characteristics (based on the segment/rating model) are set based on historical losses while taking into account the anticipated macroeconomic development. Based on this information, the expected loss is calculated as of the balance sheet date.

#### *Financial assets at fair value through other comprehensive income*

Impairment of debt financial assets at fair value through other comprehensive income in the amount of the expected credit loss is reported in the income statement under “*Impairment losses on financial assets*”. Impairment losses on equity securities classified as financial assets at fair value through other comprehensive income are not reported.

#### *Trade receivables*

Trade receivables impairment is calculated using a simplified approach based on days past due.

For additional information on Credit Risk Management, please refer to section V. Other Notes, point 35 b).

#### *Loan commitments and financial guarantees*

Under IFRS 9, the impairment requirements also apply to loan commitments and financial guarantees off the statement of financial position. The Group assesses on a forward-looking basis the expected credit losses associated with exposures from loan commitments and financial guarantee contracts.

When estimating life-time Expected Credit Loss for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The Expected Credit Loss is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of scenarios.

For financial guarantees, the Group estimates Expected Credit Losses based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs any amounts the Group expects to recover. The calculation is made using a probability-weighting of scenarios.

The Expected Credit Losses related to loan commitments and financial guarantee contracts are recognised under the item “*Provisions for risks and charges*” in the statement of financial position and under the item “*Net provisions for risks and charges: Loan commitments and financial guarantees given*” in the income statement.

### **3. Fair Value Measurement Principles**

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and financial liabilities is based on their quoted market price on an active market at the balance sheet date without deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flow techniques that maximises market observable inputs and minimizing those unobservable.

Where discounted cash flow techniques are used, estimated future cash flows are based on Group management’s best estimates and the discount rate is based on the market rate at the balance sheet date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market rates at the balance sheet date.

The fair value of derivatives that are not exchange-traded is estimated as the amount that the Group would receive or pay to

terminate the contract at the balance sheet date, taking into account current market conditions and the current creditworthiness of the counterparties and of the Group.

Bonds in the Group's portfolio are valued on a daily basis using available market rates quoted by market participants using Bloomberg services. A group of contributors who provide reliable and regular bond valuations is selected for each of the bonds. The credit spread of the bond is calculated from particular contributions and discount curves.

If there are sufficient current market prices of contributions available, the valuation is calculated as an average value. To prevent possible errors of particular contributions, a comparison of daily changes is made at the same time.

If no market price is available as a source of valuation or the number of actual contributions is not sufficient, the Group will carry out the valuation on the basis of a risk-free swap rate, to which the credit spread known as of reporting date is applied. The Group continues to apply this method until:

- Market quotations are again available;
- The credit spread of a particular bond is adjusted based on a comparison of credit spreads of similar bonds;
- The Group receives other information about a change of the spread applied;
- The issuer's credit rating changes (change of internal and/or external rating, evidence from the market that creditworthiness is worsening); and
- The liquidity of the specific securities has deteriorated significantly.

Subsequently, the Group will carry out the valuation comprising new aspects of the market price, including an assessment of possible impairment losses (see section III. Material Accounting Policies, point 2. Impairment, namely impairment of financial assets at fair value through other comprehensive income).

Group management believes that the fair value of the assets and liabilities presented in these financial statements can be measured reliably.

Financial assets and financial liabilities are classified into fair value levels depending on the quality of the input used in the valuation. Individual levels are defined as follows:

- Level 1 input – quoted (unadjusted) prices on active markets for identical assets or liabilities available to the Group as of the date of valuation;
- Level 2 input – input data other than the quoted prices contained in level 1 that are observable for an asset or liability either directly or indirectly. This category includes the instruments valued at: quoted prices of similar assets or liabilities on active markets;

quoted prices of identical or similar assets or liabilities on markets that are not active; valuation techniques for which a significant input is observable on the market directly or indirectly; and

- Level 3 input – unobservable input data for an asset or liability. This category includes instruments under which valuation techniques contain an input not based on observable data and the unobservable input may have a significant impact on the instrument's valuation.

The Group evaluates the levels at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

#### **Fair Value Adjustments (FVA)**

Fair value adjustment is defined as the amount to be added to the market observed mid-price or to the theoretical price generated by a valuation model to obtain a fair value of the position. Therefore FVA are aimed at ensuring that the fair value reflects the exit price of a certain position.

Adjustments used are as follows:

- Credit/debit valuation adjustment (CVA/DVA);
- Funding Cost and Funding Benefit Adjustment (FCA/FBA)
- Model Risk;
- Close-out Costs;
- Other Adjustments.

#### **Credit/Debit valuation adjustment (CVA/DVA)**

Credit valuation adjustments (CVAs) and debit valuation adjustments (DVAs) are incorporated into derivative valuations to reflect the impact on fair value of counterparty credit risk and UniCredit own credit quality respectively.

Group CVA/DVA methodology is based on the following inputs/assumptions – simulation approach:

- New products that can be valued are automatically included for CVA,
- Two sided bilateral CVA is used,
- EAD derived by simulation techniques – the whole portfolio of trades as well as risk mitigation techniques such as netting and margining with this counterpart is taken into account,
- PD – precise computation of counterparty exposure
  - Implied by current market default rates, obtained from Credit Default Swaps,
  - Use single name CDS where available, use sector curve approximations (based on internal rating and sector).

#### **Funding Cost and Funding Benefit Adjustment (FCA/FBA)**

Funding Valuation Adjustment (FundVA) is the sum of a Funding Cost Adjustment (FCA) and of a Funding Benefit Adjustment (FBA) that accounts for the expected future funding costs/benefits for

derivatives that are not fully collateralised. Most material contributors are in-the-money trades with uncollateralised counterparties.

UniCredit FVA methodology is based on the following inputs:

- Positive and Negative exposure profiles derived from leveraging on a risk-neutral spin-off of the Counterparty Credit Risk internal model;
- PD term structure implied by current market default rates obtained from credit default swaps;
- A funding spread curve that is representative of the average funding spread of peer financial groups.

#### Model Risk

Financial models are used for the valuation of the financial instruments if direct market quotes are not readily available. In general, model risk is represented by the possibility that a financial instrument's evaluation is sensitive to the choice of model. It is possible to value the same financial instrument by using alternative models which could provide different results in term of pricing. The model risk adjustment refers to the risk that the actual fair value of the instrument differs from the value produced by the model.

#### Close-out Costs

This measures the implicit costs of closing an (aggregated) trading position. The short position could be closed by a long position and vice versa, or by entering into a new transaction (or several transactions) that offsets (hedges) the open position. Close-out costs are typically derived from the bid/ask spreads observed on the market. It accounts for the fact that a position is valued at mid but can only be closed at bid or ask. This adjustment is not needed when the position is marked at bid or ask and already represents an exit price. In addition a close-out adjustment of the NAV is applied when there are penalties relating to a redemption of investment funds.

#### Other Adjustments

Other fair value adjustments not included in the previous categories may be taken into consideration to align the evaluation to the current exit price, according to the level of liquidity of the market and valuation parameters, e.g. adjustment of equity prices whose quotation on the market are not representative of the effective exit price.

For Fair Value disclosures see section V. Other Notes, point 37. Fair Value of Financial Assets and Financial Liabilities.

## 4. Hedging Derivatives

Hedging derivatives are carried at fair value. Positive fair value is presented in the item *"Positive fair value of hedging derivatives"*, negative fair value is presented in the item *"Negative fair value of hedging derivatives"*. The method of recognising fair value depends on the model of hedge accounting applied.

Hedge accounting can be applied if:

- The hedge is in line with the Group's risk management strategy;
- The hedge relationship is formally documented at the inception of the hedge;
- It is expected that the hedge relationship will be highly effective throughout its life;
- The effectiveness of the hedge relationship can be objectively measured;
- The hedge relationship is highly effective throughout the accounting period; and
- For hedging future forecast transactions, it is highly probable that the transaction will occur.

As regards hedge accounting, the Group additionally used the option under IFRS 9 to continue applying the existing requirements for hedge accounting pursuant to IAS 39.

If a derivative hedges an exposure to changes in the fair value of recorded assets and liabilities or of legally-enforceable firm commitments, the hedged item is revaluated to change in fair value due to the hedged risk. Gains (losses) on the re-measurement of an interest-bearing hedged item and hedging derivative are recognised in the income statement in *"Net income from hedging against risk of changes in fair value"*. Realised interest income and expenses are reported on a net basis in *"Interest income"* or *"Interest expense"*.

If a derivative hedges an exposure to the variability of cash flows related to recognised assets and liabilities or expected transactions, the effective part of the hedge (change in fair value of the hedging derivative) is recognised in other comprehensive income in equity item *"Reserve funds from revaluation"*. The ineffective part of the hedge is recognised in the income statement.

If the hedging of expected transactions results in the recording of an asset or liability, the cumulative gains or losses from the revaluation of the hedging derivative previously recognised in other comprehensive income are transferred to the income statement at the same time as the hedged item affects the net profit or loss.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss recognised in other comprehensive income remains in equity and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss previously recognised in other comprehensive income is immediately recognised in the income statement.

*"Macro hedging"* – IAS 39 allows financial assets and liabilities hedge against interest rate fluctuations to be not only a single asset or liability but also a monetary position contained in a number of financial assets or liabilities (or parts of them). Accordingly, a group

of derivatives can be used to offset fair-value fluctuations in hedged items due to changes in market rates.

The Group applies macro hedging to some financial assets and some financial liabilities. Net changes, gains or losses, in the fair value of the macro-hedged assets or liabilities attributable to the hedged risk are recognised in the asset or liability item respectively *“Changes in fair value of the portfolio of hedged instruments”* and offset the income statement item *“Net income/(loss) from hedging against risk of changes in fair value”*.

## 5. Repurchase and reverse repurchase transactions

Securities sold under an agreement to repurchase them at a specified future date are also known as *“repo transactions”* or *“sale and repurchase agreements”*. Securities sold in such transactions are not derecognised from the statement of financial position, as the Group retains substantially all the risks and rewards of ownership, as the securities are repurchased at a fixed price when the repo transaction ends. Financial assets transferred to another counterparty under a repo transaction are measured in accordance with the appropriate accounting policy for such financial asset.

Securities sold under a repo transaction are recorded as assets in the line *“Financial assets at fair value through other comprehensive income”* or in the line *“Financial assets at fair value through profit or loss: Held for trading”*, and received loan, including accrued interest, is included in the line *“Financial liabilities at amortised cost: Deposits from banks”* or in the line *“Financial liabilities at amortised cost: Deposits from customers”*.

Debt securities purchased under agreements to purchase and resell at a specified future date, also known as *“reverse repos”* are not recorded in the Group’s statement of financial position but are presented in the off-balance sheet. The consideration paid (provided loan), including accrued interest, is recorded in the line *“Financial assets at amortised cost: Loans and advances to banks”* or in the line *“Financial assets at amortised cost: Loans and advances to customers”*.

The difference between the sale and repurchase considerations for both repo and reverse repo transactions are recognised on an accrual basis over the period of the transaction using the EIR and are recognised in the income statement in *“Interest income”* or *“Interest expense”*.

For sale of a security acquired from a reverse repo, the Group derecognises the securities acquired from off-balance sheet and records a payable from a *“short sale”*, which is revalued to fair value, in the statement of financial position. This payable is reported under *“Financial liabilities at fair value through profit or loss:”*

*Held for trading”* with any gains and losses recorded in the item *Net income/(loss) from trading”*.

“Sell-buy” and “Buy-Sell” transactions are accounted for in the same way as *“repo transactions”* and *“reverse repos”*.

## 6. Borrowing and Lending of Securities

Financial assets lent under securities lending arrangements continue to be recognised in the statement of financial position if the risks and rewards of ownership are retained by the Group and are measured in accordance with the appropriate accounting policy for such financial assets.

Financial assets borrowed under securities borrowing agreements are not recognised in the Group’s statement of financial position but are presented in off-balance sheet.

For sale of a security acquired on the basis of securities borrowing arrangements, the Group derecognises the securities acquired from off-balance sheet and records a payable from a short-term sale, which is revalued to fair value, in the statement of financial position. This payable is reported under *“Financial liabilities at fair value through profit or loss: Held for trading”*, with any gains and losses recorded in the item *“Net income/(loss) from trading”*.

Income and expenses arising from the borrowing and lending of securities are recognised on an accrual basis over the period of the transactions in the item *“Fee and commission income”* or *“Fee and commission expenses”*.

## 7. Offsetting

Financial assets and liabilities may be offset against each other, and the net amount is reported in the statement of financial position when the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis. In the current and comparative period, the Group does not offset any financial assets and financial liabilities.

## 8. Cash and cash balances

Cash comprises cash in hand and cash in transit. Cash equivalents are short-term (with maturity of three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment purposes.

*“Cash and cash balances”* are carried at cost in the statement of financial position.

*“Cash and cash balances”* includes cash balances, cash advances and other on-demand deposits and the compulsory minimum

reserve with the Czech National Bank, National Bank of Slovakia and commercial banks.

The compulsory minimum reserve held at the Czech National Bank and at the National Bank of Slovakia is a required deposit which must be held by all commercial banks licensed in the Czech Republic and in Slovakia respectively. This deposit can be disposed freely, provided that the average amount of reserves calculated by the CNB or the NBS in a given maintenance period is respected.

## 9. Property and Equipment

Property and equipment are assets which may be used for a period longer than one year. The Group has property and equipment to conduct its activities.

Property and equipment are initially recognised at cost including all costs directly attributable to bringing an asset into use.

After being recognised as an asset:

- Buildings and land used in the business (ruled by IAS 16 “Property, plant and equipment”) are measured according to the fair value model for the measurement subsequent to initial recognition;
- Tangible assets used in the business, other than buildings and land, are measured according to cost model.

### Buildings and land used in the business

The fair value model allows the Group to represent the changes in value of the properties at the moment they arise, in compliance with the objectives of the adopted active management of the real estate portfolio. In this way, the recognition of capital gains and losses is not deferred at the time of sale of the real estate assets and is not influenced by the difference between market value (embedded in the sale price) and cost which, as stated, may no longer be meaningful if the acquisition of real estate assets did not take place recently.

In addition, the adoption of a fair value model allows a more accurate representation of the financial position of the Group, as it represents the value of the real estate properties at a single reference date – the date of preparation of the financial statements. This avoids heterogeneity in valuation inherent in the cost model which reflects market conditions at different times, ie the purchase dates.

The differences between current fair value and the previous fair value are recognised:

- If negative,
  - in the other comprehensive income statement, and accumulated in equity under the item “*Reserve funds from revaluation*” to the extent it reverses a previous positive revaluation, or otherwise

- in the income statement in the item “*Net income/(loss) on property and investment property measured at fair value*”,
- If positive,
  - in the income statement in the item “*Net income/(loss) on property and investment property measured at fair value*” to the extent it reverses a previous negative revaluation, or otherwise
  - in the other comprehensive income statement, and accumulated in equity under the item “*Reserve funds from revaluation*”.

The “*Reserve funds from revaluation*” is linearly transferred to the item “*Retained earnings and reserve funds*” over the residual life of the particular property used in business. In the event of the sale of the asset, the reserve not yet reversed will be reclassified to the item “*Retained earnings and reserve funds*”.

The pay out of the revaluation surplus to shareholders is restricted and is eligible only in the event of the disposal of property. The fair value was determined on the basis of independent external valuations on a half-yearly basis (as at 30 June and 31 December).

Properties used in business, measured according to the IAS 16 revaluation model, continue to be depreciated using the straight-line method over their useful life from the higher revalued amount.

The useful life of properties used in business is reviewed at least at each financial year-end (i.e. 31 December) on the basis of an external independent opinion.

### Tangible assets used in the business

In the cost model, assets are stated at historical cost less accumulated depreciation and impairment.

### Depreciation, Impairment and Gains and losses on disposal

Depreciation is calculated using the straight-line method over the assets’ estimated useful lives. The depreciation periods (over the respective estimated useful lives) for individual categories of property and equipment are as follows:

- |   |   |
|---|---|
| • Buildings   | 20–50 years                               |
| • Technical improvement of buildings protected as cultural heritage | 15 years                                  |
| • Technical improvement of rented premises                          | 10 years or in accordance with a contract |
| • Air-conditioning equipment  | 5 years                                   |
| • Machinery and equipment   | 3–10 years                                |
| • Bank vaults   | 20 years                                  |
| • Fixtures and fittings   | 5–10 years                                |
| • Motor vehicles  | 4–5 years                                 |
| • IT equipment  | 4 years                                   |
| • Low value tangible assets   | 2–3 years                                 |



Tangible assets (including right of use assets) are assessed for potential impairment or a reduction in useful life. If events or changes in the conditions occur that could result in the carrying amount not being recoverable, the carrying amount is written down to the recoverable amount if the carrying amount is higher than the estimated recoverable value. The recoverable amount is the higher of fair value less costs of disposal and the value in use.

The gains and losses on disposal are determined based on the net book value and are included in the item *"Profit/(loss) from the sale of non-financial assets"*. The insignificant costs of repair, maintenance and technical improvement are expensed as they are incurred. Vice versa, major repairs and technical improvements are capitalised.

Property and equipment which the Group intends to sell within 12 months, is classified as *"Non-current assets held for sale"*. Such property and equipment is reclassified at the lower of its carrying amount or its sales value less disposal costs. Profit or loss from the sale is presented in the item *"Profit/(loss) from the sale of non-financial assets"*.

## 10. Intangible Assets

Intangible assets are assets which may be used for a period longer than one year.

Intangible assets are stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated using the straight-line method over the assets' estimated useful lives. The depreciation period (over respective estimated useful lives) for intangible assets is as follows:

- Software and intangible assets 2–7 years or in accordance with a contract

Intangible assets are assessed for potential impairment or a reduction in useful life. If events or changes in the conditions occur that could result in the carrying amount not being recoverable, the carrying amount is written down to the recoverable amount if the carrying amount is higher than the estimated recoverable value. The recoverable amount is the higher of fair value less costs of disposal and the value in use.

## 11. Leases

Leases accounting policies are based on the standard IFRS 16 *"Leases"*.

### a) Provided Finance Lease

A lease is classified as a finance lease if it transfers to the lessee substantially all the risks and rewards of ownership.

Receivables from finance leases are reported as equal to the net investment in the lease upon receipt of the leased asset by the customer. The sum of future minimum lease instalments and initial fees for the provision of the lease equal to the gross investment in the lease (as finance lease contracts include a clause on purchase at the end of the lease period, there is no unsecured net book value). The difference between the gross and net investment in the lease represents deferred financial income reported as interest income over the lease period with the constant periodic profitability of the net investment in the finance lease. The amounts received from the lessee reduce the net investment.

Group receivables from finance leases include the cost of assets leased under finance leases in contracts where the asset has been already acquired, but the finance lease contract was not capitalised at the balance sheet date.

Significant contractual conditions for finance leases are as follows:

- The subject of the lease is specified in the text of the lease contract or in the acceptance certificate (part of the lease contract);
- The duration of the lease begins on the day of the acceptance of the subject of the lease by the lessee and ends upon the expiration of the agreed lease term;
- The lessee is authorised to purchase the subject of the lease from the lessor;
- The subject of the lease remains in the exclusive ownership of the lessor throughout the duration of the lease. The ownership is transferred to the lessee/buyer on the day the purchase price as per the purchase agreement is credited to the lessor's account;
- The purchase price and all amounts in the lease contract are net of VAT. The VAT rate is set by law and is indicated separately in invoices;
- The consideration for the lease includes an extraordinary lease payment, contractual flat fee (e.g. the processing and administration of the lease contract) and the number of lease payments indicated by the contract and calculated from the acquisition cost (in CZK or a foreign currency);
- The subject of the lease must be insured throughout the lease term; and
- The lessor may prematurely terminate the lease contract at any time without a notice period by withdrawal or by a notice with immediate effect if the lessee significantly breaches or fails to meet the obligations and commitments arising from the lease contract. In such a case, the lessee is obliged to make all the remaining lease payments to the lessor in line with the payment calendar. Payments are due upon the premature termination of the lease contract.

The finance lease receivables are presented in the item *"Financial assets at amortised cost: Loans and advances to customers"*.

## b) Provided Operating Leases

Other leases are classified as operating leases. The leased asset continues to be owned by the lease company after the termination of the lease contract.

Income from operating leases is reported in *"Other operating income"*.

## c) Received Leases

IFRS 16 requires that a lessee recognises an asset, representing the right of use of the underlying asset, and at the same time, a liability reflecting future payments of the lease contract for all of the leasing types.

At initial recognition, such an asset is measured on the basis of the lease contract cash flows which include, in addition to the present value of lease payments, any initial direct cost attributable to the lease, lease payments paid before the commencement date and any other costs required to dismantle/remove the underlying asset at the end of the contract and is decreased by incentives received. Right of use assets are reported in the item *"Property, equipment and right of use assets"*.

After initial recognition, the right-of-use is measured on the basis of the provisions set for tangible assets applying the cost model less any accumulated depreciation and any accumulated impairment losses. The depreciation period is equal to the determined lease term.

Accumulated depreciation and any accumulated impairment losses are reported in the item *"Depreciation and impairment of property, equipment and right of use assets"*.

The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 January 2019. Instead, the Group applied the standard only to contracts

previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

In line with the standard, the Group decided not to apply IFRS 16 for leases of intangible assets, short-term leases shorter than 12 months and leases with low-value underlying assets. Related expenses are presented on an accrual basis in the item *"Administrative expenses"*.

To calculate the lease liability and related assets based on the right of use, the Group discounts future lease payments using an appropriate discount rate. Lease payments are set for discounting in this respect based on contractual arrangements and net of VAT, as the obligation to pay this tax originates at the moment an invoice issued by the lessor and not as of the date of commencement of the lease contract.

To perform these calculations, payments must be discounted using the implicit interest rate based on the lease contract or, if this is not available, the incremental borrowing rate. This is determined based on the costs of financing a liability of similar duration and similar security to what is contained in the lease contract.

Details related to determining of lease term see part Determining lease term in the section IV. Critical Accounting Judgements, Estimates and Assumptions.

Lease liabilities are reported in the item *"Financial liabilities at amortised cost: Deposits from customers and lease liabilities"* based on the counterparty. After initial recognition, lease liabilities are increased by the interest expense calculated using the same interest rate used for the discounting of the relevant lease payments and decreased by the lease payments. The interest expense is reported in the item *"Interest expense"*.

The vast majority of right of use assets / lease liabilities is related to the Group's headquarter and its branches.

A summary of amounts in relation to leases received under IFRS 16 as of 31 December 2024 and 31 December 2023 is presented in the following tables:

Consolidated Statement of Comprehensive Income	Point in the section V. Other Notes	2024	2023
Depreciation of Right of use assets	18. Property, equipment and right of use assets	(351)	(333)
Interest expense	1. Net interest income	(66)	(58)

Consolidated Statement of Financial Position	Point in the section V. Other Notes	31 Dec 2024	31 Dec 2023
Right of use assets	18. Property, equipment and right of use assets	1 935	2 113
Lease liabilities	23. Financial liabilities at amortised cost: Deposits from customers and lease liabilities	2 111	2 123

Lease modifications are changes in the term or condition of a lease contract that change the scope of the lease contract (e.g. by adding or decreasing assets under lease); the consideration to be paid; or the contractual lease term.

Lease modifications are accounted for as a separate lease contract which is additional to the original lease contract being modified if both of the following conditions are satisfied:

- the modification increase the scope of the lease by adding additional asset, and
- the lease payments are also increased so to reflect the market value of such increase in scope (possibly adjusted to take into account the specific feature of the specific lease contract).

On the contrary if the modification doesn't fulfill the condition above, modifications are accounted for by re-measuring the liability through discounting the revised lease payments for the revised lease term and applying the revised discount rate. The resulting adjustment to the lease liability is recognized by increasing/decreasing the right of use.

## 12. Factoring

Factoring represents the purchase of short-term receivables at nominal values that originated on the basis of supplies of goods or services made by a supplier to a customer and that are not past due.

The factoring company pays part of the purchase price "pre-financing" to the supplier. Receivables from purchased receivables are reported in "*Financial assets at amortised cost: Loans and advances to customers*" net of the payable arising from the purchased receivables. Once the customer makes the payment, the remaining part of the purchase price is paid to the supplier.

In return for its services, the Group collects a fee for the provided pre-financing. The fee is recognised in revenues at the point in time when the transaction takes place and reported in the item "*Fee and commission income*". In addition to the fee, the Group charges interest, the absolute amount of which depends on the amount of pre-financing made and the length of the time period between the provision of part of the purchase price and collection of the payment from the customer. This interest is reported in the item "*Interest income*".

## 13. Provisions for Risks and Charges

Provisions for risks and charges relate to a probable outflow of an uncertain amount over an uncertain period of time. Provisions for risks and charges are recognised when:

- There is an obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources will be required to settle the obligation (probable means the probability exceeds 50%); and
- The amount of the obligation can be reliably estimated.

A restructuring provision is recognised when the following criteria are met:

- The Group has prepared a detailed and formal restructuring plan;
- Those affected by the restructuring have a realistic expectation that the restructuring will take place as the implementation of the plan has commenced or its main features have been announced.

When creating provisions for off-balance sheet items, the Group proceeds analogically as for the impairment losses on financial assets at amortised cost or financial assets at fair value through other comprehensive income, in line with IFRS 9 requirements.

The provisions for off-balance sheet items are recorded in the statement of financial position in the item "*Provisions for risks and charges*".

## 14. Deferred Incentives

The Group accounts for deferred incentives on an accrual basis. Related liability is recognised in the item "*Other liabilities*" against the income statement item "*Administrative expenses*".

The Group Incentive System and the Local Incentive System are applied to the identified positions. Payment of the bonus for the given period is spread out over a multiple-year period.

Based on the Group Incentive System, the bonus payment is spread over 6 years (senior management) or 4 years (other identified staff). In each year, the bonus payment is conditional upon completion of the Compliance Assessment, Continuous Employment Condition and Clawback application, which confirm, reduce or entirely cancel the entitlement to a bonus payment. The incentives are paid partially in cash and partially in non-monetary instruments or shares.

Based on the Local Incentive System, the bonus payment is spread over 4 years. In each year, the bonus payment is conditional upon completion of the Compliance Assessment, Continuous Employment Condition and Clawback application, which confirm, reduce or entirely cancel the entitlement to bonus payment. The incentives are paid partially in cash and partially in non-monetary instruments.

## 15. Contingent Assets and Liabilities

A contingent liability is a possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognise contingent assets/liabilities in the statement of financial position, but regularly reviews their

development to specify whether an inflow/outflow of resources embodying economic benefits has become probable. Where the likelihood of an outflow of economic benefits is higher than 50% (more likely than not), the Group recognises a provision. Where the likelihood of an inflow of economic benefits is almost 100% (virtually certain), the Group recognises an asset and revenue.

## 16. Interest Income and Interest Expense

Interest income and interest expense are recognised in the income statement in the period to which they relate, using the effective interest rate method. Interest income is recognised using the effective interest rate on financial assets measured at amortised cost, financial assets measured at FVTOCI. Interest expense is also calculated using the effective interest rate method for all financial liabilities at amortised cost.

Interest from loans and deposits is accrued on a daily basis. Interest income and expenses include relevant transaction costs and the amortisation of any discount or premium between the initial carrying amount of an instrument and its amount at maturity calculated on an effective interest rate basis.

Interest income on financial assets at amortised cost or at FVTOCI classified in stage 1 and 2 (ie performing assets) is calculated from the gross carrying amount (ie before allowances). Interest income on financial assets at amortised cost or at FVTOCI classified in stage 3 (ie credit impaired assets) is calculated from the net carrying amount (ie after allowances) using “*unwinding*”.

In the environment of negative interest rates, negative interest income is presented in interest expense and negative interest expense is presented in interest income.

Net interest income comprises interest income and interest expense calculated using the effective interest method and other methods. Interest income calculated using the effective interest method is disclosed separately in the income statement to provide symmetrical and comparable information.

## 17. Fee and Commission Income and Expenses

Fee and commission income and expenses consist of fees and commissions received/paid by the Group for providing financial services, other than those related to the origination of a financial asset or liability, which form a part of the effective interest income/expenses.

Fees and commissions from financial services provided by the Group, including payment services, brokerage services, investment advice and financial planning, investment banking services and asset management services.

Fees and commission income are accounted for in the income statement as the Group satisfies the performance obligation embedded in the contract, according to “IFRS15 Revenue from Contracts with Customers” rules.

In particular:

- If the performance obligation is satisfied at a specific moment (“point in time”), the related revenue is recognised in the income statement when the service is provided;
- If the performance obligation is satisfied over-time, the related revenue is recognised in the income statement in order to reflect the progress of satisfaction of such obligation.

Transaction fees coming from securities transactions and payment services are typically booked at the point in time when the service is provided and immediately withdrawn from customer account.

Fees related to management, administration, deposit and custody services, account administration and payment cards are normally recognised over time during the term of the contract. The revenue is measured on straight-line basis and is evenly distributed during the term of the contract as this method best depicts the Group’s commitment to stand ready for fulfilment of customer requests. These services are mostly invoiced on regular basis (typically monthly), selected services are invoiced in advance.

Fees related to loans provided, other than those related to the origination, which form a part of the effective interest income, are either booked at the point in time when the service is provided or recognised over time during the term of the contract based on the type of services provided.

The amount of revenues linked to fee and commission income is determined based on contractual conditions. Variability that would have impact on amount that the Group expects to receive is not usually foreseen for services provided by the Group.

If a contract regards different goods/services which are not priced and charged on the stand-alone price level, the revenue is allocated among the different obligation proportionally to the stand-alone price of the single item delivered. These amounts will therefore be accounted for in the income statement on the basis of the timing of satisfaction of each obligation.

This circumstance, which is not significant, might happen in case of customer loyalty programs that require to provide goods or services for free, or by cashing-in a price not at market condition, if the client reaches a specific volume of fees, or in case of programs to acquire new customers that assign a bonus to the target (in the form of a product or a service) when it becomes a new client. The stand-alone selling prices for free-of-charge customer options

are determined using the adjusted market assessment method. Contract liability given by the customer options is not material.

The Group has decided, as practical expedient permitted under IFRS 15, not to disclose the amount of transaction price allocated to unsatisfied performance obligations related to fees and commissions from financial services. This is because the Group does not typically contract respective services for period that would be enforceable longer than 12 months. The only significant contract with deferred revenue for longer period than 12 months (contract with non-refundable up-front fees not related to specific services transferred to customer and thus linearly amortised to the item “*Fee and Commission Income*” during live of the contract – 5 and 15 years respectively) is included in the item “*Other liabilities*” in amount of MCZK 461 as of 31 December 2024 (as of 31 December 2023 MCZK 410).

## 18. Dividend income

Dividend income is recognised in the income statement in “*Dividend income*” on the date the dividend is declared.

## 19. Taxation

Tax non-deductible expenses are added to and non-taxable income is deducted from the profit for the period pursuant to Czech Accounting Standards to arrive at the taxable income base in the Czech Republic, which is further adjusted by tax allowances and relevant credits. The tax payable (item “*Tax liabilities: Income tax*”) or receivable (item “*Tax receivables: Income tax*”) is calculated using the tax rate valid at the year-end and reported in the expected amount of the settlement with the tax authorities.

The income tax of entities based in Slovakia is calculated in line with the regulations applicable in the Slovak Republic.

Deferred tax is provided on all temporary differences between the carrying amounts of assets and liabilities for financial statement purposes and the amounts used for taxation purposes multiplied by the expected income tax rate for the period of the asset recovery or liability settlement, based on tax rates that have been enacted or substantially enacted. A deferred tax asset (item “*Tax receivables: Deferred tax*”) is only recognised to the extent that there are no doubts that there will be future taxable profits available against which this asset can be utilised. A deferred tax liability (item “*Tax liabilities: Deferred tax*”) is recognised for all taxable temporary differences.

Current and deferred taxes are recognised as income tax benefits or expenses in the income statement except for tax related to the fair value remeasurement of debt instruments at fair value through OCI, foreign exchange differences and the net movement on cash flow hedges, which are charged or credited to OCI.

These exceptions are subsequently reclassified from OCI to the income statement, together with the respective deferred loss or gain.

The Group also recognises the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

The Group only offsets its deferred tax assets against liabilities when there is both a legal right to offset its current tax assets and liabilities and it is the Group's intention to settle on a net basis.

## 20. Segment Reporting

*IFRS 8 Operating segments* states that presentation and reporting of operating segments shall be in accordance with performance criteria monitored by the chief operating decision-maker who is responsible for operational decisions. At the Group, that decision-maker is the Board of Directors of the Bank.

The Group's primary segment reporting is broken down by types of customers, which correspond to the Group's various operations: retail and private banking, corporate and investment banking and other.

The performance of all the segments is monitored monthly by the Board of Directors and other members of the Group's management. The reporting segments generate income primarily from the provision of loans and other banking products.

*Retail and private banking* encompasses in particular providing loans, mortgages, bank account maintenance, payment services (including payment cards), term and saving deposits, investment advisory services.

*Corporate and investment banking, leases* include especially the following products and services: providing banking services to companies and public institutions, including loans, leasing, factoring, bank guarantees, account maintenance, payment services, opening documentary letters of credit, term deposits, derivative and foreign currency operations, and capital market activities inclusive of securities underwriting for customers, investment advisory, and consulting on mergers and acquisitions.

*Other* reporting segment includes banking services that are not included within the aforementioned segments.

## 21. Standards and Interpretations Effective in the Current Period

There are no new standards, amendments to the existing standards and new interpretation issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period.

## 22. Standards and Interpretations Published by the IASB, but not yet Effective

At the date of authorisation of these financial statements, there are following amendments to the existing standards issued by IASB and adopted by the EU but not yet effective:



- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability** – Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. In some jurisdictions, no spot rate is available because a currency cannot be exchanged into another currency.

IAS 21 was amended to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

The amendments also include additional disclosure requirements to help users to assess the impact of using an estimated exchange rate on the financial statements. (Effective for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.)

The adoption of these amendments to existing standards will have no material impact to the Group's financial statements.

## 23. New and amended IFRS standards issued by IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by IASB, except for the following new standards and amendments to the existing standards, which were not endorsed for use in the EU as at the date of publication of these financial statements (the effective dates stated below are for IFRS as issued by IASB):

- **Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments**

### *Settlement of liabilities through electronic payment systems*

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system.

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised.

Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

### *Classification of financial assets with ESG-linked features*

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

### *Contractually linked instruments (CLIs) and non-recourse features*

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

### *Disclosures on investments in equity instruments*

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

(Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)

- **Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity** – The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements. The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.
- Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow.

(Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)

- **IFRS 18 Presentation and Disclosure in Financial Statements**

- IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

*A more structured statement of profit or loss*

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

*MPMs – Disclosed and subject to audit*

IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures ("MPMs"), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

*Greater disaggregation of information*

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.

*Other changes applicable to the primary financial statements*

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires

goodwill to be presented as a new line item on the face of the balance sheet.

*Transition*

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

(Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.)

- **IFRS 19 Subsidiaries without Public Accountability**

**Disclosures** – IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.

A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

(Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.)

- **Annual Improvements to IFRS Standards – Volume 11** – In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards (IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures; IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows). The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

(Effective for annual reporting periods on or after 1 January 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished

on or after the beginning of the annual reporting period in which the amendment is first applied).

- **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures**
  - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date deferred indefinitely)

The Group anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the Group's financial statements in the period of initial application. In the case of IFRS 18 The Group is in the process of assessment of the potential impact on its financial statements resulting from the application of IFRS 18.

Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated. According to the Group's estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to IAS 39: "Financial Instruments: Recognition and Measurement" would not significantly impact the financial statements if applied as at the balance sheet date.

## IV. Critical Accounting Judgments, Estimates and Assumptions

These disclosures supplement the commentary on financial risk management (see section V. Other Notes, point 35. Financial Risk Management).

The presentation of the consolidated financial statements in conformity with IFRS requires Group management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. These estimates, which relate to the determination of fair values of financial instruments (where no public market exists), impairment of assets and provisions and other areas, are based on the information available at the balance sheet date.

### **Impact of climate-related matters**

Climate change is impacting both society and companies alike. The Group is considering the impact of climate change on its business model, risk strategy, and also the effect on its financial statements.

Climate-related matters may affect the Group's exposure to credit losses due to environmental disasters, regulatory change or a borrower's ability to meet its obligations to the Group. Subsequently, these may have impact on ECL and/or collateral valuation. Management carefully reviews these risks.

Climate-related matters may affect also the classification and measurement of loans as lenders may include terms linking contractual cash flows to an entity's achievement of climate-related targets. In this respect, the Group assesses whether the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Business model assessment**

The classification of financial assets is driven by the business model. Management applies judgment when determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the Group considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity.

### **Assessment of whether cash flows are solely payments of principal and interest**

Judgment is required to determine whether a financial asset's cash flows are solely payments of principal and interest and whether they are in line with the SPPI test. Judgment is required to assess whether risks and volatility of contractual cash flows are related to the basic lending arrangement. Features that require judgments include the modification of time value of money, assessment of whether prepayment fees applied to loans can be considered as a reasonable compensation for early terminations or prepayments.

### **Impairment of financial assets**

Financial assets accounted for at amortised cost and at fair value recognised through other comprehensive income (except for the FVTOCI option), lease receivables, trade receivables and loan commitments and financial guarantees (not accounted at FVTPL) are subject to impairment under ECL model. Impairment is determined in the amount of the 12-month (or shorter depending on the instrument's maturity) expected credit loss for assets that have not experienced a significant increase in credit risk since initial recognition, and in the amount of lifetime expected losses for assets which have experienced a significant increase in credit risk since initial recognition or which are impaired. When assessing impairment, the return on financial assets is evaluated separately using the best possible estimate of the present value of future cash flows that are expected to be received. When estimating these cash flows, the Group management makes judgments about the debtor's financial situation and the net realisable value of any underlying collateral.

The creation of impairment allowances for expected credit losses and identified financial guarantee contracts and loan commitments involves many uncertainties concerning the outcomes of the risks stated above and requires Group management to make many subjective assessments when estimating the amount of losses. Measurement of impairment allowances for expected credit losses

for financial assets of amortised cost and at fair value through other comprehensive income requires the application of models and significant judgments regarding future economic conditions and credit behaviour. Given current economic conditions, the result of estimates may differ from the impairment provisions recognised as at 31 December 2024 that are reported in items „*Impairment losses on: Financial assets at amortised cost*“, „*Impairment losses on: Financial assets at fair value through other comprehensive income*“ and „*Net provisions for risks and charges: Loan commitments and financial guarantees given*“.

#### Inclusion of Forward-Looking Information (hereinafter “FLI”)

### **1. Macroeconomic Multiscenario Overlay Factor**

The IFRS 9 impairment requirements set out that expected credit loss must be assessed based on past, current and forward-looking information. In this regard, the Group usually updates macroeconomic scenarios on a half year basis and account for the related effects in half year and year-end financial reports. In line with this usual practice, an update has been made also before year-end 2024.

The Group creates various favourable scenarios of future development and assigns probability weights to individual scenarios and result of this activity is the so-called multiscenario overlay factor which includes in the calculation the sensitivity of the Expected Credit Loss (“ECL”) development in different scenarios. Specifically, the Group has selected three macroeconomic scenarios to determine the forward-looking component: a baseline, positive and adverse scenario. The baseline scenario is the reference scenario and therefore is the most probable realization. Adverse scenario represents possible alternative realization, worse one compared to the baseline in terms of evolution of the economy. Opposite scenario is the positive one. Considering the persisting uncertainty, the baseline scenario weight is set to 60%, positive to 5%, while the negative scenario slightly decreased to 35%.

Scenarios are created by an independent department in accordance with UniCredit group forecasting rules.

#### *a) IFRS9 Baseline Scenario*

The Baseline scenario reflects moderate GDP growth in Eurozone in 2024, impacted by weak manufacturing sector. Private consumption will remain the biggest growth driver, while investment will contribute more to growth in 2025, especially if public investment picks up with the help of more EU funds. Labor markets have remained tight, supported by strong domestic demand. CEE governments have limited fiscal space to stimulate growth in this case as they are expected to tighten their budget deficits. Further growth improvements generally expected in CEE countries from 2025. Except Czechia which might be one of the more vulnerable CEE economies as their shares of exports to Germany are highest (at more than 30%)

and the German economy has been underperforming due to its large manufacturing sector and significant exposure to China.

Disinflation in CEE overall may stall in 4Q24 but resume next year, which together with declining core market rates creates space for central banks in the region to cut rates. Disinflation stalled in most CEE economies during the summer as the supportive impact of food prices started to decline. Fiscal risks and the divergence between goods and services inflation justify a cautious approach.

Inflation will be higher in 2025 vs. 2024 in some countries, mainly in Slovakia (impacted by disruptions in raw material supplies from Russia via Ukraine).

In terms of policy rates, Central banks in the region are in different phases of monetary policy loosening. While we expect the CNB (Czech National Bank) to already reach its terminal rate in 1H25 (cut to 4% in 2024; to 3.5% in 2025). ECB Deposit Facility Rate (DFR) @300 bps YE24, with a further ECB cut assumed in Dec24; DFR to reach a terminal level of 2% in September 2025. 3M Euribor avg @227 bps in 2025.

Several risks to the outlook: US election-related impacts, commodity prices and developments in the Middle East and disruption to trade flows. Current scenario assumes that only part of US President-elect Donald Trump's agenda will be implemented, fresh tariffs are likely to weight on global manufacturing as they dampen trade, affect sentiment and cloud the outlook for capex.

#### *b) IFRS9 Negative Scenario – “ICAAP Recession Scenario”*

In this scenario, we assume that an intensification of geopolitical tensions in the Middle East and Ukraine pushes up the price of oil and natural gas, while causing shortages and delays in delivery times as pressure on supply chains builds. The negative supply shock hits western economies when activity is already weak (eurozone) or is about to decelerate (US) due to restrictive monetary policy. The shock tips the eurozone into a recession, given its openness and geographical proximity, while the US is less affected. In the eurozone, the contraction in GDP causes a marked increase in unemployment as firms face shrinking margins and can no longer afford to hoard labor. The output gap turns deeply negative and underlying price pressures weaken fast, more than offsetting the impulse from supply shocks. In turn, weaker demand eases the pressure on energy prices and supply chains. We assume that disinflationary forces prevail overall, leading central banks to cut interest rates more aggressively than in the baseline scenario. In terms of timing, we assume that the shock starts in 2025. In the eurozone, activity starts contracting in 2025 (–0.6%) and the recession deepens in 2026 (–1.3%). This is followed by a tentative recovery in 2027 (+0.5%) as rate cuts feed through while supply-side shocks fade. The cumulative hit to GDP growth is 4.8pp.

Eurozone inflation declines below the ECB's 2% goal throughout the forecast horizon, as the effects of demand weakness and a widening of the output gap prevail over supply-side shocks. Overall, inflation settles a cumulative 1pp below the baseline. Inflation expectations drift lower, increasing pressure on the ECB to cut rates swiftly.

The ECB cuts rates aggressively, lowering the deposit rates to 1.25% by the end of 2025 and to 1.0% by end-2026, hence pushing rates below the level that we regard as neutral. Monetary policy would then remain unchanged in 2027. The Fed funds rate falls to 2.75% by the end of 2025 and bottoms out at 2.50% in 2026–27. Given the negative shock to growth, which leads the ECB to ease more than in the baseline, we expect yields on core curves to be lower compared to the baseline. The deviation relative to the baseline is expected to be somewhat higher in the first year.

The increase in uncertainty surrounding the economic outlook, coupled with significant deterioration in risk appetite, is expected to keep demand for safe assets strong, driving higher spreads (widening pressure).

Equity markets are expected to post significant losses, of about 15–30%, reflecting the recessionary environment. We project in this scenario that equity returns could be up to 30pp lower than our baseline. We pencil in a modest recovery of equities in the final part of the horizon, as the growth shock fades.

In FX, we expect the EUR to come under pressure given the growth shock is more severe for the eurozone than the US and amid a generalized increase in risk aversion. We pencil in an 15% depreciation against the USD in 2025 and 13% in 2026. In this scenario, oil price is expected to rise by ca. 15% in 2025 compared to the baseline, with the shock seen fading over the following two years when the price drops below the baseline scenario amid weak economic activity. Gold and precious metals are also expected to rise modestly due to risk aversion and safe haven demand. The deviation relative to the baseline is expected to be moderate.

From the macroeconomic point of view, the growth shock will also hit countries of Central and Eastern Europe. On average half of cumulative growth shocks will come from the spillovers from the eurozone while the rest is caused by country-specific factors. We assume a higher unemployment rate in particular in 2026 and 2027 compared to the baseline. Similarly to the euro area, we assume the shock to be disinflationary.

From the interest rates point of view in CEE, we assume short-term rates to be lower compared to the baseline in all years as central banks reduce interest rates to counter the impact of the shock on the economy and inflation returns to target. Falling inflation and recovery

in growth could help yields decline in particular in 2027, although they will likely remain higher compared to the levels in the baseline. Thus, in this scenario we expect CEE yields curves to steepen faster than in the baseline scenario.

Currencies with flexible exchange rates are at more depreciated level compared to the baseline in all years due to the risk-off environment. The depreciation pressure on CZK could be more pronounced than others due to higher trade exposure to the eurozone and free-floating currencies.

#### *c) IFRS9 Positive Scenario*

In the US, Trade policies turn out to be less aggressive than expected, while the combination of fiscal stimulus and deregulation fuel strong economic growth. A de-escalation of geopolitical tensions reduces uncertainty, fostering a more favourable global economic climate. Businesses regain confidence in long-term planning, and consumers feel secure in their financial prospects. This stability encourages robust economic activity and strengthens global trade networks.

The combination of improved consumer spending, robust investment, and proactive monetary tightening creates a balanced growth environment. Inflation is contained without unnecessarily dampening demand, and central banks successfully guide the economy toward sustainable expansion. The interplay between fiscal and monetary policies enhances resilience, while global trade stability supports a synchronized international recovery.

In this scenario, we further assume economic growth in the Eurozone accelerates gradually, reaching 1.5% in 2025, 2.2% in 2026, and 1.8% in 2027. This growth is supported by robust consumer spending, improved labor market conditions, and increased corporate investment as a response to lower-than-expected trade barriers and improved global demand.

Inflation remains contained, averaging around 2% annually, consistent with the European Central Bank's (ECB) target. Stabilizing energy prices and enhanced supply chains contribute to subdued price pressures, while rising wages support consumption without significantly overheating the economy.

The ECB adopts a measured tightening stance, raising interest rates incrementally to balance growth and inflation control. Cumulatively 3M Euribor remains approximately 100 basis points above the values of baseline, ensuring credit remains accessible while containing demand-driven price pressures.

The euro appreciates moderately against the U.S. dollar, driven by stronger economic fundamentals in the Eurozone and reduced global risks. The EUR/USD exchange rate stabilizes between 1.10 and 1.15, supporting exporters while ensuring manageable import costs.



Credit conditions remain favourable, with corporate bond spreads narrowing due to stronger business fundamentals and improved investor confidence. Default rates stay low as firms benefit from higher revenues and stable borrowing conditions.

Equity markets in Western economies exhibit steady growth, with indices like the Euro Stoxx 50 achieving average annual gains of 15–20%. Sectors tied to technology, green energy, and infrastructure investments outperform, reflecting strategic priorities in the post-uncertainty environment.

The CEE region experiences robust GDP growth exceeding 3% annually in average from 2025 to 2027 (+2.6 pts above the baseline), fuelled by stronger trade integration with Western Europe, increased foreign direct investments, and expanded EU structural funds targeting infrastructure and innovation.

Inflation in CEE countries moderate to 3–4% annually, reflecting improved supply chain efficiencies and stable energy prices. Governments successfully manage localized inflationary pressures through targeted fiscal measures and investment in domestic energy production.

Central banks in the region adopt a gradual normalization of interest rates, keeping them by 50–100 basis points above the baseline over three years. While maintaining a pro-growth stance, policymakers focus on ensuring macroeconomic stability and continued foreign investment inflows.

Currencies in the CEE region is stable against both the euro and the dollar, reflecting robust economic performance and investor confidence. Esp. CZK remain stable with reduced volatility, creating a favourable environment for businesses and trade.

In case of Stage 1, Stage 2 and Stage 3 – collective final expected credit loss is calculated using weighted average of ECLs under above mentioned scenarios.

See below overview of mentioned scenarios and its cumulative impact.

For “FLI deltas”, which are used to include future projection within PD and LGD parameters, are used models based on macroeconomic factors from the table below. Real GDP, Monthly wage, Unemployment rate, average short term rate (3M Euribor for Slovakia), exchange rates to EUR and USD) and yearly change of House Price Index are used within the model.

Country	Macroeconomic scenario	Baseline scenario (60 %)		
		2025	2026	2027
Czech Rep.	Real GDP, year to year change in %	2,3	2,4	2,5
Czech Rep.	Inflation (CPI), at the end of period	2,8	2,4	2,5
Czech Rep.	Inflation (CPI), on average	3	2,5	2,5
Czech Rep.	Monthly wage, nominal in EUR	1 983	2 107	2 203
Czech Rep.	Unemployment rate in %	3,7	3,6	3,4
Czech Rep.	Reference rate, at the end of period	3,5	3,5	3,5
Czech Rep.	FX rate to EUR, at the end of period	24,7	24,7	24,7
Czech Rep.	FX rate to EUR, on average	24,9	24,7	24,7
Czech Rep.	FX rate to USD, at the end of period	22,1	21,8	21,5
Czech Rep.	FX rate to USD, on average	22,4	22,0	21,7
Czech Rep.	Short term interest rate, at the end of period	3,6	3,6	3,6
Czech Rep.	Short term interest rate, on average	3,8	3,6	3,6
Czech Rep.	Long term interest rate (10 years)	4,1	4,1	4,1
Czech Rep.	House Price index, year to year change in %	5,0	4,0	4,0
Slovakia	Real GDP, year to year change in %	1,6	2,1	1,7
Slovakia	Inflation (CPI), at the end of period	5,0	2,3	2,2
Slovakia	Inflation (CPI), on average	5,1	2,7	2,2
Slovakia	Monthly wage, nominal in EUR	1 616	1 703	1 791
Slovakia	Unemployment rate in %	5,2	4,9	4,7
Slovakia	FX rate EUR to USD, at the end of period	1,12	1,13	1,15
Slovakia	FX rate EUR to USD, on average	1,11	1,12	1,14
Slovakia	Short term interest rate, Euribor 3m, at the end of period	2,0	2,0	2,0
Slovakia	Short term interest rate, Euribor 3m, on average	2,3	2,0	2,0
Slovakia	Long term interest rate (10 years)	3,6	3,6	3,6
Slovakia	Long term interest rate (10 years) in Eurozone	2,4	2,4	2,5
Slovakia	House Price index, year to year change in %	5,1	4,3	4,1

		Negative scenario (35 %)		
Country	Macroeconomic scenario	2025	2026	2027
Czech Rep.	Real GDP, year to year change in %	0,5	(0,6)	1,5
Czech Rep.	Inflation (CPI), at the end of period	2,7	2,1	2,5
Czech Rep.	Inflation (CPI), on average	2,9	2,3	2,3
Czech Rep.	Monthly wage, nominal in EUR	1796	1788	1849
Czech Rep.	Unemployment rate in %	3,7	4,8	4,5
Czech Rep.	Reference rate, at the end of period	3,0	2,8	2,8
Czech Rep.	FX rate to EUR, at the end of period	25,9	25,8	25,7
Czech Rep.	FX rate to EUR, on average	25,5	25,9	25,8
Czech Rep.	FX rate to USD, at the end of period	27,3	26,1	25,3
Czech Rep.	FX rate to USD, on average	24,8	26,7	25,7
Czech Rep.	Short term interest rate, at the end of period	3,1	2,9	2,9
Czech Rep.	Short term interest rate, on average	3,5	3,0	2,9
Czech Rep.	Long term interest rate (10 years)	4,1	4,4	4,1
Czech Rep.	House Price index, year to year change in %	3,9	1,3	3,7
Slovakia	Real GDP, year to year change in %	(0,2)	(0,9)	0,7
Slovakia	Inflation (CPI), at the end of period	4,7	1,7	2,1
Slovakia	Inflation (CPI), on average	5,0	2,2	1,9
Slovakia	Monthly wage, nominal in EUR	1516	1540	1580
Slovakia	Unemployment rate in %	5,8	6,3	6,1
Slovakia	FX rate EUR to USD, at the end of period	0,95	0,99	1,01
Slovakia	FX rate EUR to USD, on average	1,03	0,97	1,00
Slovakia	Short term interest rate, Euribor 3m, at the end of period	1,3	1,0	1,0
Slovakia	Short term interest rate, Euribor 3m, on average	1,9	1,1	1,0
Slovakia	Long term interest rate (10 years)	3,7	3,8	3,7
Slovakia	Long term interest rate (10 years) in Eurozone	1,5	1,7	1,7
Slovakia	House Price index, year to year change in %	4,0	1,6	3,9
		Positive scenario (5 %)		
Country	Macroeconomic scenario	2025	2026	2027
Czech Rep.	Real GDP, year to year change in %	3,1	3,7	3,2
Czech Rep.	Inflation (CPI), at the end of period	3,2	2,4	2,6
Czech Rep.	Inflation (CPI), on average	3,2	2,7	2,6
Czech Rep.	Monthly wage, nominal in EUR	2005	2193	2313
Czech Rep.	Unemployment rate in %	3,5	3,2	2,9
Czech Rep.	Reference rate, at the end of period	4,0	4,0	4,0
Czech Rep.	FX rate to EUR, at the end of period	24,1	24,2	24,2
Czech Rep.	FX rate to EUR, on average	24,5	24,1	24,2
Czech Rep.	FX rate to USD, at the end of period	21,5	21,4	21,1
Czech Rep.	FX rate to USD, on average	22,1	21,4	21,2
Czech Rep.	Short term interest rate, at the end of period	3,6	3,6	3,6
Czech Rep.	Short term interest rate, on average	3,8	3,6	3,6
Czech Rep.	Long term interest rate (10 years)	4,6	4,6	4,6
Czech Rep.	House Price index, year to year change in %	5,3	4,5	4,5
Slovakia	Real GDP, year to year change in %	2,3	3,4	2,4
Slovakia	Inflation (CPI), at the end of period	5,6	2,3	2,3
Slovakia	Inflation (CPI), on average	5,4	3,0	2,3
Slovakia	Monthly wage, nominal in EUR	1645	1755	1837
Slovakia	Unemployment rate in %	5,1	4,4	4,2
Slovakia	FX rate EUR to USD, at the end of period	1,12	1,13	1,15
Slovakia	FX rate EUR to USD, on average	1,11	1,12	1,14
Slovakia	Short term interest rate, Euribor 3m, at the end of period	2,0	2,0	2,0
Slovakia	Short term interest rate, Euribor 3m, on average	2,3	2,0	2,0
Slovakia	Long term interest rate (10 years)	4,1	4,3	4,2
Slovakia	Long term interest rate (10 years) in Eurozone	2,9	3,1	3,1
Slovakia	House Price index, year to year change in %	5,3	4,8	4,7

d) *Sensitivity analysis*

Since GDP forecast stated in the above-mentioned scenarios is assumed not to be linearly correlated to the ECL, it was agreed to provide two sensitivities based on opposite GDP assumptions:

- ECL sensitivity considering an upside scenario (i.e. the positive IFRS9 scenario), and
- ECL sensitivity considering based on a downside scenario (i.e. the negative IFRS9 scenario).

The sensitivity is calculated as ratio between:

- the difference between the ECL estimated under the under the baseline and alternative scenario;

- the GDP deviations (on 3 years cumulative basis) between the baseline and alternative scenarios (in % points).

The 3-years cumulated GDP growth (country specific) is calculated similarly as compound interest:

$$((1 + \%GDP_{2025})(1 + \%GDP_{2026})(1 + \%GDP_{2027}) - 1).$$

The Implied assumptions are:

- GDP forecast (over 3 years) is assumed to be the most relevant economic factor as indicator of scenario severity;
- for each Legal Entity the GDP of the reference country is considered for the calculation of the respective sensitivity.

Country	Cumulated 3-year GDP		GDP Diff Negative – Baseline	ECL Amount in MCZK		% ECL Diff (Negative – Baseline) / Baseline	% ECL Sensitivity vs 3-year cum. GDP Increase of ECL for each 1 GDP point drop
	Baseline	Negative		Baseline	Negative		
<b>Czech Rep.</b>	7,37	1,44	(5,94)	2 569	2 676	4,2%	0,7%
<b>Slovakia</b>	5,46	(0,40)	(5,86)	1 387	1 498	8%	1,4%

Results of comparison between baseline and negative scenarios show that each 1 GDP point drop in 3-year cumulative GDP would cause increase of ECL by 0,7% on Czech Republic, resp. 1,4% increase on Slovak, portfolio.

Country	Cumulated 3-year GDP		GDP Diff Positive – Baseline	ECL Amount in MCZK		% ECL Diff (Positive – Baseline) / Baseline	% ECL Sensitivity vs 3-year cum. GDP Increase of ECL for each 1 GDP point rise
	Baseline	Positive		Baseline	Positive		
<b>Czech Rep.</b>	7,37	10,26	2,89	2 569	2 535	(1,3%)	(0,5%)
<b>Slovakia</b>	5,46	8,31	2,85	1 387	1 346	(2,9%)	(1,0%)

Results of comparison between baseline and positive scenarios show that each 1 GDP point rise in 3-year cumulative GDP would cause decrease of ECL by 0,5% on Czech Republic, resp. 1,0% decrease on Slovak, portfolio.

## 2. Inclusion of Specific Factors

Considering actual and expected factors with realization date shortly after the beginning of 2025 financial year, the Group decided already for 2024 to reassess its models for impairment losses on receivables and recognize this impact in the income statement of 2024, specifically:

- a) In order to factor in the LLP the effect of **geopolitical risks** incl. high rise in energy costs for corporate segments and the high interest rates for private individuals, thus complementing the inclusion of the current and forward-looking macroeconomic conditions as per ordinary framework, **specific factor of geopolitical uncertainties** is used. All other specific factors related to macro-economic contingency (Supply Chain Risk, Interest Rate Risk) applied were reconvened into this unique specific factor, to quantify LLP by transiting from the previous context, supply chain bottleneck crises, to the new one based on energy crises and higher inflation/interest rates spilled over from Russia-Ukraine crises outbreak. The provisions increase amounts to MCZK 2 278 (split on MCZK 2 026 on Corporate and MCZK 252 on Retail).
- b) Based on updated methodology for consideration of possible delay on payments the bank started to implement parameter called "**Overdue factor**" into the LLP tool which is scheduled for year 2025. To consider the expected negative impact in amount of MCZK 72 which results from this adjustment, the bank decided to book the increase of provisions to Corporate portfolio in amount of MCZK 54 and to Retail in amount of MCZK 18 into the financial statement of the year 2024.
- c) To consider risks resulting from **Climate & Environmental** area like the physical risk and the transitional risk the bank is going to implement additional parameters into the PD and LGD during year 2025. The estimated negative impact from this kind of risk amounts to MCZK 167 which is related to Corporate portfolio was considered as the increase of the standard expected credit lost in year 2024.

### **Determining Fair Values**

Determining fair value of financial assets and liabilities for which there are no observable market prices requires the use of valuation techniques as described in accounting policy, section III. Significant Accounting Policies, point 3. Fair Value Measurement Principles. For financial instruments that trade infrequently and have low price transparency, fair value is less objective and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

### **Determining lease term**

To determine the duration of a lease, it is necessary to take into account the non-cancellable period set in the contract when the lessee is entitled to use the underlying asset, while taking into account the possibility of an extension if the lessee is reasonably certain to use the possibility of extension.

Especially for contracts that allow the extension of the lease contract after the end of the first period without the need to explicitly express the intention to use this extension, the period is determined with respect to factors such as the length of the first period, existence of plans to change the use of/abandon the asset and any other circumstances with an impact on the reasonable certainty of the extension of the lease contract.

After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is under its control and affects its ability to exercise or not exercise the option to renew or to terminate.

### **Hedge Accounting**

When designating financial instruments as qualifying hedge relationships, the Group has determined that it expects a hedge to be highly effective over the life of the hedging instrument.

When accounting for derivatives as cash flow hedges, the Group has determined that the hedged cash flow exposure relates to highly probable future cash flows.

### **Provisions for liabilities**

The amounts recognised as provisions are based on management's judgment and represent the best estimate of expenses needed to settle a liability of uncertain timing or uncertain amount.

## V. Other notes

### 1. Net interest income

	2024	2023
<b>Interest income</b>		
Financial assets at amortised cost:	39 466	42 381
Loans and advances to central banks	9 541	14 740
Loans and advances to banks	1 243	1 511
Loans and advances to customers	28 682	26 130
Financial assets at fair value through other comprehensive income	2 007	1 562
<b>Interest income calculated using the effective interest method</b>	<b>41 473</b>	<b>43 943</b>
Hedging derivatives	(5 996)	(8 420)
<b>Effect of hedging derivatives</b>	<b>(5 996)</b>	<b>(8 420)</b>
Financial assets at amortised cost – finance lease	669	619
Other assets	40	534
<b>Other interest income</b>	<b>709</b>	<b>1 153</b>
<b>Interest income</b>	<b>36 186</b>	<b>36 676</b>
<b>Interest expense</b>		
Financial liabilities at amortised cost:	(24 429)	(27 463)
Deposits from central banks	(35)	(583)
Deposits from banks	(1 683)	(1 904)
Deposits from customers	(18 421)	(22 764)
Debt securities issued	(4 290)	(2 212)
Hedging derivatives	3 941	6 269
Lease liabilities	(66)	(58)
<b>Interest expense</b>	<b>(20 554)</b>	<b>(21 252)</b>
<b>Net interest income</b>	<b>15 632</b>	<b>15 424</b>



## 2. Net fee and commission income

	2024	2023
<b>Fee and commission income from</b>		
Securities transactions	24	13
Management, administration, deposit and custody services	1 130	880
Loans	1 666	1 472
Payment services	897	605
Account administration	278	465
Payment cards	1 686	1 380
Other	151	254
<b>Total fee and commission income from contracts with customers</b>	<b>5 832</b>	<b>5 069</b>
Loan commitments and financial guarantees	683	613
<b>Fee and commission income</b>	<b>6 515</b>	<b>5 682</b>
<b>Fee and commission expenses from</b>		
Securities transactions	(15)	(15)
Management, administration, deposit and custody services	(124)	(110)
Loans	(486)	(562)
Payment services	(67)	(55)
Payment cards	(1 349)	(1 111)
Other	(179)	(167)
<b>Fee and commission expenses</b>	<b>(2 220)</b>	<b>(2 020)</b>
<b>Net fee and commission income</b>	<b>4 295</b>	<b>3 662</b>

## 3. Dividend income

	2024	2023
Dividend income		
Financial assets at fair value through profit or loss not held for trading mandatorily at fair value	2	4
Financial assets at fair value through other comprehensive income	3	3
<b>Total</b>	<b>5</b>	<b>7</b>

## 4. Net income/(loss) from trading

	2024	2023
Net realised and unrealised gain/(loss) from debt instruments held for trading	(7)	4
Net realised and unrealised gain/(loss) from derivatives held for trading	1 187	209
Net realised and unrealised gain/(loss) from FX spot transactions and from revaluation of receivables and payables denominated in FX	1 622	2 489
<b>Net income/(loss) from trading</b>	<b>2 802</b>	<b>2 702</b>

## 5. Net income/(loss) from hedging against risk of changes in fair value

	2024	2023
Hedging instruments	73	(1 439)
Hedged instruments	(74)	1 441
<b>Net income/(loss) from hedging against risk of changes in fair value</b>	<b>(1)</b>	<b>2</b>

More details on hedging are included in section V. Other Notes, point 35. Financial Risk management.

## 6. Net income/(loss) from the sale or repurchase

	2024	2023
Financial assets at amortised cost: Loans and advances to customers	66	160
Financial assets at fair value through other comprehensive income	(35)	39
Financial liabilities: Debt securities issued	5	1
<b>Net income/(loss) from the sale or repurchase</b>	<b>36</b>	<b>200</b>

## 7. Net income/(loss) from financial assets/liabilities at fair value through profit or loss

	2024	2023
Shares	38	102
<b>Net income/(loss) from financial assets and liabilities at fair value through profit or loss</b>	<b>38</b>	<b>102</b>

## 8. Impairment losses

	2024	2023
<b>Cash and cash balances</b>	<b>(1)</b>	<b>96</b>
Stage 1	(1)	96
<b>Financial assets at amortised cost, of which:</b>	<b>(801)</b>	<b>(390)</b>
<b>Loans and advances to banks</b>	<b>–</b>	<b>9</b>
Stage 1	(4)	9
Stage 3	4	–
<b>Loans and advances to customers</b>	<b>(801)</b>	<b>(399)</b>
<b>Corporate Customers</b>	<b>(838)</b>	<b>(235)</b>
Stage 1	(712)	(591)
Stage 2	615	(836)
Stage 3	(741)	1 192
<b>Retail Customers</b>	<b>37</b>	<b>(164)</b>
Stage 1	(46)	(162)
Stage 2	97	15
Stage 3	(14)	(17)
<b>Financial assets at fair value through other comprehensive income</b>	<b>–</b>	<b>4</b>
Stage 1	(1)	4
Stage 2	1	–
<b>Total</b>	<b>(802)</b>	<b>(290)</b>

Impairment Losses to Cash and cash balances are represented by impairment losses to current accounts and sight deposits toward banks that are included in the item “Other on-demand deposits” in section V. Other Notes, point 11. “Cash and cash balances”.

## 9. Administrative expenses

	2024	2023
<b>Personnel expenses</b>		
Wages and salaries paid to employees	(3 029)	(2 932)
Social costs	(1 161)	(1 108)
Other	(269)	(270)
	<b>(4 459)</b>	<b>(4 310)</b>
<b>Other administrative expenses</b>		
Rent and building maintenance	(323)	(349)
Information technologies	(1 612)	(1 545)
Promotion and marketing	(255)	(218)
Consumables used	(67)	(68)
Audit, legal and advisory services	(182)	(162)
Administrative and logistic services	(268)	(244)
Deposits and transactions insurance	(483)	(715)
Other services	(333)	(277)
Other	(2)	(21)
	<b>(3 525)</b>	<b>(3 599)</b>
<b>Total</b>	<b>(7 984)</b>	<b>(7 909)</b>

A summary of remuneration to key managers is presented in the following table:

	2024	2023
Short-term employee benefits	173	182
Other longterm employee benefits	32	43
<b>Total</b>	<b>205</b>	<b>225</b>

Key managers are persons with authority and direct or indirect responsibilities as regards planning, managing and supervising the Group's activities, including all (executive and other) managers. Information on equity-based bonuses is included in section V. Other Notes, point 30. Equity-based bonuses.

The Group's average number of employees was as follows:

	2024		2023	
	Czech Republic	Slovakia	Czech Republic	Slovakia
Employees	2 151	939	2 188	974
Members of the Board of Directors	7	1	8	1
Members of the Supervisory Board	2	1	2	1
Other executives directly reporting to the Board of Directors	38	2	38	2

Employees include all the employees of the Group. Members of the Board of Directors, Members of the Supervisory Board and Other executives directly reporting to the Board of Directors include persons representing the Bank.

Information on fees charged by auditors for the accounting period (excluding VAT):

	2024			2023		
	Bank	Consolidated companies	Total	Bank	Consolidated companies	Total
Audit	15	8	23	11	6	17
Other audit services	10	1	11	7	1	8
<b>Total</b>	<b>25</b>	<b>9</b>	<b>34</b>	<b>18</b>	<b>7</b>	<b>25</b>

## 10. Other operating income and expenses

	2024	2023
Income from rent	728	634
Other income related to the specific service of finance leasing	29	39
Other income	896	528
<b>Total other operating income</b>	<b>1 653</b>	<b>1 201</b>
Other taxes	(26)	(32)
Fines and penalties	(11)	(15)
Other expenses related to the specific service of finance leasing	(40)	(48)
Other expenses	(570)	(479)
<b>Total other operating expenses</b>	<b>(647)</b>	<b>(574)</b>
<b>Total</b>	<b>1 006</b>	<b>627</b>

„Income from rent“ mainly represents income from operating leases of own assets.

Items *“Other income”* and *“Other expenses”* are mainly represented by additional income/expenses from/for operating leasing business (e.g. sale of own assets at the end of an operating lease).

The following table summarises cash flows to be received from operating leases where the Group is the lessor:

	Due within 1 year	Due in 1–5 years	Due in the following years
<b>2024</b>			
Cash flows to be received from operating leases	618	903	12
<b>2023</b>			
Cash flows to be received from operating leases	526	812	4

## 11. Cash and cash balances

	31.12.2024	31.12.2023
Cash in hand	3 646	3 712
Other on-demand deposits	2 992	2 300
Compulsory reserves	3 475	2 806
<b>Total</b>	<b>10 113</b>	<b>8 818</b>

For cash flow reporting purposes, cash is defined as cash and cash equivalents.

Item *“Other on-demand deposits”* includes current accounts and sight deposits toward banks out of which the vast majority (99,9%) as of 31 December 2024 are classified by credit quality at stage 1 with the total allowance of MCZK 2 (as of 31 December 2023: MCZK 2).

## 12. Financial assets at fair value through profit or loss

### (a) Held for Trading

#### (i) Based on the Type of Financial Instrument

	31.12.2024	31.12.2023
Debt securities	24	3
Derivatives	25 403	33 982
<b>Total</b>	<b>25 427</b>	<b>33 985</b>

From debt securities, no securities are provided as collateral as of 31 December 2024 and as of 31 December 2023.

*(ii) Based on the Type of Issuer*

	31.12.2024	31.12.2023
<b>Debt securities</b>		
Public administration	24	3
<b>Total</b>	<b>24</b>	<b>3</b>

**(b) Mandatorily at fair value**

	31.12.2024	31.12.2023
Shares and Other debt securities	103	171
<b>Total</b>	<b>103</b>	<b>171</b>

*(ii) Based on the Type of Issuer*

	31.12.2024	31.12.2023
<b>Shares and Other debt securities</b>		
Other financial institutions	103	171
<b>Total</b>	<b>103</b>	<b>171</b>

## 13. Financial assets at fair value through other comprehensive income

**(a) Based on the Type of Financial Instrument**

	31.12.2024	31.12.2023
Debt securities	55 352	51 933
Shares	17	20
<b>Total</b>	<b>55 369</b>	<b>51 953</b>

From debt securities, MCZK 4 342 are provided as collateral (as of 31 December 2023: MCZK 7 708).

Debt securities are included in financial assets at fair value through other comprehensive income pursuant to paragraph 4.1.2.a) of IFRS 9 – classified based on the business model and meeting the SPPI test.

Shares are included in financial assets at fair value through other comprehensive income pursuant to paragraph 5.7.5. of IFRS 9 – FVTOCI option.

**(b) Based on the Type of Issuer**

	31.12.2024	31.12.2023
<b>Debt securities</b>		
Government institutions	51 934	49 360
Other	3 418	2 573
<b>Shares</b>		
Other	17	20
<b>Total</b>	<b>55 369</b>	<b>51 953</b>

All debt securities included in financial assets at fair value through other comprehensive income as of 31 December 2024 are classified by credit quality in stage 1 with the total allowance of MCZK 2 (as of 31 December 2023: MCZK 2).

Out of total amount of debt securities 99.91% were included within Internal Rating 1 and 0.09% within Internal Rating 2 and 3 as of 31 December 2024 (as of 31 December 2023 98% within Internal Rating 1 and 2% within Internal Rating 2 and 3).



### (c) Participation Interests

Name	Registered office	Date of acquisition	Acquisition price	Net book value 2024	Net book value 2023	Share of the Group at 31 Dec 2024	at 31 Dec 2023
CBCB – Czech Banking Credit Bureau, a.s. (bank register)	Prague	10 October 2001	0.24	0.24	0.24	20%	20%
<b>Total</b>			<b>0.24</b>	<b>0.24</b>	<b>0.24</b>		

## 14. Financial assets at amortised cost – loans and advances to banks

### (a) Analysis of Receivables from Banks, by Type

	31.12.2024	31.12.2023
Term deposits	50 062	23 952
Reverse repurchase commitments (see section V, point 32)	180 603	134 596
<b>Total</b>	<b>230 665</b>	<b>158 548</b>

The vast majority (99,9%) of financial assets at amortised cost – loans and advances to banks as of 31 December 2024 are classified by credit quality at stage 1 with the total allowance of MCZK 7 (as of 31 December 2023: MCZK 3).

Out of total amount financial assets at amortised cost – loans and advances to banks 88 % were included within Internal Rating 1, 12% within Internal Rating 2 and none within Internal Rating 3 as of 31 December 2024 (as of 31 December 2023 83% within Internal Rating 1, 17% within Internal Rating 2 and 11% within Internal Rating 3).

### (b) Analysis of Receivables from Banks, by Geographical Sector (based on Client's domicile)

	31.12.2024	31.12.2023
Czech Republic	177 167	128 841
Slovakia	26 623	2 226
Other EU countries	26 803	27 145
Other	72	336
<b>Total</b>	<b>230 665</b>	<b>158 548</b>

## 15. Financial assets at amortised cost – loans and advances to customers

### (a) Analysis of Receivables from Customers, by Type

Corporate Customers	Stage 1			Stage 2			Stage 3			Total		
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2024</b>												
Current accounts (overdrafts)	30 011	(219)	29 792	4 552	(396)	4 156	2 532	(2 211)	321	37 095	(2 826)	34 269
Mortgage loans	136 772	(330)	136 442	17 799	(1 194)	16 605	1 778	(982)	796	156 349	(2 506)	153 843
Credit cards	12	–	12	3	–	3	1	–	1	16	–	16
Leases	9 723	(47)	9 676	1 495	(129)	1 366	517	(308)	209	11 735	(484)	11 251
Factoring	4 659	(13)	4 646	211	(6)	205	100	(9)	91	4 970	(28)	4 942
Other loans	162 391	(514)	161 877	14 929	(979)	13 950	4 254	(2 586)	1 668	181 574	(4 079)	177 495
Debt securities	36 461	–	36 461	–	–	–	–	–	–	36 461	–	36 461
<b>Total</b>	<b>380 029</b>	<b>(1 123)</b>	<b>378 906</b>	<b>38 989</b>	<b>(2 704)</b>	<b>36 285</b>	<b>9 182</b>	<b>(6 096)</b>	<b>3 086</b>	<b>428 200</b>	<b>(9 923)</b>	<b>418 277</b>

Corporate Customers	Stage 1			Stage 2			Stage 3			Total		
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2023</b>												
Current accounts (overdrafts)	28 683	(176)	28 507	6 431	(541)	5 890	1 777	(1 510)	267	36 891	(2 227)	34 664
Mortgage loans	130 807	(355)	130 452	18 049	(1 118)	16 931	1 390	(913)	477	150 246	(2 386)	147 860
Credit cards	10	–	10	4	–	4	1	(1)	–	15	(1)	14
Leases	9 665	(51)	9 614	2 700	(136)	2 564	486	(318)	168	12 851	(505)	12 346
Factoring	6 076	(17)	6 059	624	(8)	616	92	(9)	83	6 792	(34)	6 758
Other loans	161 667	(495)	161 172	16 184	(1 160)	15 024	4 153	(2 658)	1 495	182 004	(4 313)	177 691
Debt securities	30 871	–	30 871	–	–	–	–	–	–	30 871	–	30 871
<b>Total</b>	<b>367 779</b>	<b>(1 094)</b>	<b>366 685</b>	<b>43 992</b>	<b>(2 963)</b>	<b>41 029</b>	<b>7 899</b>	<b>(5 409)</b>	<b>2 490</b>	<b>419 670</b>	<b>(9 466)</b>	<b>410 204</b>

Retail Customers	Stage 1			Stage 2			Stage 3			Total		
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2024</b>												
Current accounts (overdrafts)	652	(9)	643	443	(36)	407	37	(30)	7	1 132	(75)	1 057
Mortgage loans	176 978	(188)	176 790	8 775	(273)	8 502	436	(162)	274	186 189	(623)	185 566
Credit cards and consumer loans	12 493	(113)	12 380	1 897	(247)	1 650	368	(237)	131	14 758	(597)	14 161
Leases	1 276	(3)	1 273	39	(4)	35	50	(28)	22	1 365	(35)	1 330
Other loans	8 465	(23)	8 442	481	(68)	413	184	(92)	92	9 130	(183)	8 947
<b>Total</b>	<b>199 864</b>	<b>(336)</b>	<b>199 528</b>	<b>11 635</b>	<b>(628)</b>	<b>11 007</b>	<b>1 075</b>	<b>(549)</b>	<b>526</b>	<b>212 574</b>	<b>(1 513)</b>	<b>211 061</b>

Retail Customers	Stage 1			Stage 2			Stage 3			Total		
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2023</b>												
Current accounts (overdrafts)	539	(6)	533	685	(57)	628	38	(29)	9	1 262	(92)	1 170
Mortgage loans	130 327	(191)	130 136	37 392	(539)	36 853	434	(161)	273	168 153	(891)	167 262
Credit cards and consumer loans	8 271	(99)	8 172	4 502	(315)	4 187	286	(191)	95	13 059	(605)	12 454
Leases	674	(3)	671	590	(12)	578	45	(25)	20	1 309	(40)	1 269
Other loans	7 884	(51)	7 833	903	(68)	835	171	(96)	75	8 958	(215)	8 743
<b>Total</b>	<b>147 695</b>	<b>(350)</b>	<b>147 345</b>	<b>44 072</b>	<b>(991)</b>	<b>43 081</b>	<b>974</b>	<b>(502)</b>	<b>472</b>	<b>192 741</b>	<b>(1 843)</b>	<b>190 898</b>

From financial assets at amortised cost – Loans and advances to customers MCZK 140 114 are provided as collateral (as of 31 December 2023: MCZK 152 925).

**(b) Classification of Gross Receivables from Customers according to Internal Rating incl. Probability of Default (“PD”) for Internal Ratings**

	Gross Receivables		PD 31 Dec 2024 and 31 Dec 2023
	31 Dec 2024	31 Dec 2023	
<b>Corporate Customers</b>			
Performing receivables – stage 1 and 2			
Internal rating 1	54 738	33 766	0,02% – 0,04%
Internal rating 2	27 634	44 781	0,06% – 0,10%
Internal rating 3	67 820	63 236	0,14% – 0,26%
Internal rating 4	94 120	86 069	0,36% – 0,66%
Internal rating 5	93 777	93 232	0,90% – 1,68%
Internal rating 6	57 035	58 151	2,29% – 4,25%
Other internal rating	23 438	31 066	5,80% – 20,00%
Receivables without internal rating	457	1 470	37,15%
<b>Total</b>	<b>419 019</b>	<b>411 771</b>	
Non-performing receivables – stage 3	9 181	7 899	100%
<b>Total</b>	<b>428 200</b>	<b>419 670</b>	

	Gross Receivables		PD 31 Dec 2024 and 31 Dec 2023
	31 Dec 2024	31 Dec 2023	
<b>Retail Customers</b>			
Performing receivables – stage 1 and 2			
Internal rating 1	3 192	2 683	0,02% – 0,04%
Internal rating 2	9 105	6 127	0,06% – 0,10%
Internal rating 3	51 582	45 447	0,14% – 0,26%
Internal rating 4	98 712	90 249	0,36% – 0,66%
Internal rating 5	34 958	32 002	0,90% – 1,68%
Internal rating 6	9 679	10 009	2,29% – 4,25%
Other internal rating	4 093	4 882	5,80% – 20,00%
Receivables without internal rating	178	368	37,15%
<b>Total</b>	<b>211 499</b>	<b>191 767</b>	
Non-performing receivables – stage 3	1 075	974	100%
<b>Total</b>	<b>212 574</b>	<b>192 741</b>	

**(c) Analysis of Net Receivables from Customers, by Sector**

	31.12.2024	31.12.2023
Financial institutions	51 809	54 286
Non-financial institutions	319 935	313 903
Government sector	46 533	42 015
Individuals and others	211 061	190 898
<b>Total</b>	<b>629 338</b>	<b>601 102</b>

**(d) Analysis of Net Receivables from Customers, by Type of Collateral Provided and Classification**

	Carrying amount	Bank and similar guarantee	Mortgage	Corporate guarantee	Other security	Movable assets	Total collateral	Net exposure
<b>31.12.2024</b>								
Stage 1	578 434	1 037	191 978	13 336	5 100	41 069	252 520	325 914
Stage 2	47 292	627	14 190	2 802	1 751	–	19 370	27 922
Stage 3	3 612	49	1 127	756	107	886	2 925	687
<b>Total</b>	<b>629 338</b>	<b>1 713</b>	<b>207 295</b>	<b>16 894</b>	<b>6 958</b>	<b>41 955</b>	<b>274 815</b>	<b>354 523</b>
<b>31.12.2023</b>								
Stage 1	514 030	2 466	161 483	17 231	3 399	42 430	227 009	287 021
Stage 2	84 110	226	31 216	3 857	2 522	–	37 821	46 289
Stage 3	2 962	75	1 017	935	100	542	2 669	293
<b>Total</b>	<b>601 102</b>	<b>2 767</b>	<b>193 716</b>	<b>22 023</b>	<b>6 021</b>	<b>42 972</b>	<b>267 499</b>	<b>333 603</b>

The collateral amount stated fulfilling relevant internal conditions for collateral is capped by the maximum exposure of particular exposures.

The item “Net exposure” includes, inter alia, receivables from project funding that are secured by real estate collateral in the nominal value of MCZK 19 014 (as of 31 December 2023: MCZK 30 212). For the project funding of commercial real estate (IPRE), the collateral quality is taken into account when determining the transaction rating; in these cases, the collateral value is strongly correlated with the solvency of the debtor.

In specific segments the loss allowance is set to very low level ( $\leq 1\%$ ) thanks to application of LGD secured concept for materially collateralized part of exposure. For other segments the collateral value is embedded in the calculation of LGD parameter.

**(e) Analysis of Net Receivables from Customers, by Geographical Sector (based on Client's domicile)**

	31.12.2024	31.12.2023
Czech Republic	398 189	381 706
Slovakia	208 843	194 907
Other EU countries	14 155	20 411
Other	8 151	4 078
<b>Total</b>	<b>629 338</b>	<b>601 102</b>

**(f) Analysis of Net Receivables from Customers, by Industry Sector**

	31.12.2024	31.12.2023
Real estate services	98 731	93 408
Financial services	27 836	32 957
Wholesale	36 235	37 639
Households (individuals)	207 021	186 756
Retail (entrepreneurs)	9 542	9 871
Leasing and rental	28 973	24 072
Automotive industry	5 960	5 917
Power industry	19 496	28 246
Other, of which:	195 944	182 236
Government bonds	36 460	30 871
<b>Total receivables from customers</b>	<b>629 338</b>	<b>601 102</b>

The division of net Receivables from Customers by Industry Sector does not have to be the same as used for division between Corporate and Retail Clients used in tables a) and b) in this point.

**(g) Analysis of Forborne receivables**

The Group's approach to forbearance reporting is disclosed in section V. Other Notes, point 35. Financial Risk Management.

Analysis of forborne receivables by sectors:

	Gross performing receivables	Gross non-performing receivables	Total gross forborne receivables	Impairment of performing receivables	Impairment of non-performing receivables	Total impairment of forborne receivables	Net balance of forborne receivables
<b>31.12.2024</b>							
Non-financial institutions	4 967	3 813	8 780	(565)	(2 590)	(3 155)	5 625
Individuals and others	267	97	364	(25)	(50)	(75)	289
<b>Total</b>	<b>5 234</b>	<b>3 910</b>	<b>9 144</b>	<b>(590)</b>	<b>(2 640)</b>	<b>(3 230)</b>	<b>5 914</b>

All forborne performing receivables are classified as stage 2 receivables, while all forborne non-performing receivables are classified as stage 3 receivables.

	Gross performing receivables	Gross non-performing receivables	Total gross forborne receivables	Impairment of performing receivables	Impairment of non-performing receivables	Total impairment of forborne receivables	Net balance of forborne receivables
<b>31.12.2023</b>							
Non-financial institutions	6 852	2 148	9 000	(722)	(1 741)	(2 463)	6 537
Individuals and others	400	122	522	(15)	(54)	(69)	453
<b>Total</b>	<b>7 252</b>	<b>2 270</b>	<b>9 522</b>	<b>(737)</b>	<b>(1 795)</b>	<b>(2 532)</b>	<b>6 990</b>

Net balance of forborne receivables represented 0.94 % of the total net receivables from customers as of 31 December 2024 (as of 31 December 2023: 1.16 %).

The table below provides an analysis of forborne receivables balance based on past due days:

	Gross balance of forborne receivables	Impairment of forborne receivables	Net balance of forborne receivables
<b>31.12.2024</b>			
Performing receivables			
Before due	4 846	(522)	4 324
Past due	388	(68)	320
Total forborne performing receivables	<b>5 234</b>	<b>(590)</b>	<b>4 644</b>
Non-performing receivables			
Up to 90 days past due	2 865	(1 828)	1 037
91 to 180 days past due	51	(21)	30
181 days to 1 year past due	342	(172)	170
Over 1 year past due	652	(619)	33
Total forborne non-performing receivables	<b>3 910</b>	<b>(2 640)</b>	<b>1 270</b>
<b>Total</b>	<b>9 144</b>	<b>(3 230)</b>	<b>5 914</b>
<b>31.12.2023</b>			
Performing receivables			
Before due	6 554	(694)	5 860
Past due	698	(43)	655
Total forborne performing receivables	<b>7 252</b>	<b>(737)</b>	<b>6 515</b>
Non-performing receivables			
Up to 90 days past due	1 327	(964)	363
91 to 180 days past due	175	(140)	35
181 days to 1 year past due	292	(242)	50
Over 1 year past due	476	(449)	27
Total forborne non-performing receivables	<b>2 270</b>	<b>(1 795)</b>	<b>475</b>
<b>Total</b>	<b>9 522</b>	<b>(2 532)</b>	<b>6 990</b>

The table below shows movements in gross balance of forborne receivables:

Balance as of 1 January 2023	19 784
Transfer to forborne receivables balance	2 295
Additions	503
Write-offs	(12)
Settled	(1 818)
Transfer from forborne receivables balance	(11 241)
Other	11
<b>Total gross balance of forborne receivables as of 31 December 2023</b>	<b>9 522</b>
Balance as of 1 January 2024	9 522
Transfer to forborne receivables balance	3 259
Additions	1 124
Write-offs	(3)
Settled	(1 616)
Transfer from forborne receivables balance	(3 147)
Other	5
<b>Total gross balance of forborne receivables as of 31 December 2024</b>	<b>9 144</b>



The table below shows movements in the impairment of forbearance:

Balance as of 1 January 2023	(2 581)
Transfer to forbore receivables balance	(776)
Charge during the current year	(377)
Release during the current year	236
Receivables written off – use	12
Transfer from forbore receivables balance	957
Other decreases	(3)
<b>Total impairment of forbore receivables as of 31 December 2023</b>	<b>(2 532)</b>
Balance as of 1 January 2024	(2 532)
Transfer to forbore receivables balance	(1 071)
Charge during the current year	(447)
Release during the current year	588
Receivables written off – use	3
Transfer from forbore receivables balance	278
Other decreases	(49)
<b>Total impairment of forbore receivables as of 31 December 2024</b>	<b>(3 230)</b>

#### (h) Analysis of Receivables from Customers

##### *Movement in Gross Amount of Receivables from Customers*

<b>Corporate Customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance as of 1 January 2023	<b>314 850</b>	<b>49 185</b>	<b>9 222</b>	<b>373 257</b>
Provided during the current year	148 677	12 437	1 316	162 430
Repaid during the current year	(94 510)	(17 173)	(3 986)	(115 669)
<i>of which sold</i>	–	(27)	(280)	(307)
Receivables written off	–	(3)	(346)	(349)
Transfer between stages	(1 240)	(453)	1 693	–
FX differences	2	(1)	–	1
<b>Total gross value of receivables from customers as of 31 December 2023</b>	<b>367 779</b>	<b>43 992</b>	<b>7 899</b>	<b>419 670</b>
Balance as of 1 January 2024	<b>367 779</b>	<b>43 992</b>	<b>7 899</b>	<b>419 670</b>
Provided during the current year	138 540	6 064	945	145 549
Repaid during the current year	(121 326)	(12 084)	(3 049)	(136 459)
<i>of which sold</i>	–	(5)	(161)	(166)
Receivables written off	–	(8)	(551)	(559)
Transfer between stages	(4 963)	1 025	3 938	–
FX differences	(1)	–	–	(1)
<b>Total gross value of receivables from customers as of 31 December 2024</b>	<b>380 029</b>	<b>38 989</b>	<b>9 182</b>	<b>428 200</b>

<b>Retail Customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance as of 1 January 2023	137 576	36 538	1 024	175 138
Provided during the current year	24 149	12 079	124	36 352
Repaid during the current year	(14 452)	(3 865)	(298)	(18 615)
<i>of which sold</i>	(1)	–	(209)	(210)
Receivables written off	–	(11)	(123)	(134)
Transfer between stages	424	(671)	247	–
FX differences	(2)	2	–	–
<b>Total gross value of receivables from customers as of 31 December 2023</b>	<b>147 695</b>	<b>44 072</b>	<b>974</b>	<b>192 741</b>
Balance as of 1 January 2024	147 695	44 072	974	192 741
Provided during the current year	37 338	3 442	70	40 850
Repaid during the current year	(15 887)	(4 742)	(241)	(20 870)
<i>of which sold</i>	(4)	(8)	(305)	(317)
Receivables written off	–	(28)	(119)	(147)
Transfer between stages	30 718	(31 109)	391	–
FX differences	–	–	–	–
<b>Total gross value of receivables from customers as of 31 December 2024</b>	<b>199 864</b>	<b>11 635</b>	<b>1 075</b>	<b>212 574</b>

#### **Movement in Impairment of Receivables from Customers**

<b>Corporate Customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance as of 1 January 2023	(1 936)	(1 611)	(6 062)	(9 609)
Charge during the current year	(1 772)	(3 112)	(2 386)	(7 270)
<i>Of which provided in the respective year</i>	(387)	(804)	(689)	(1 880)
Release during the current year	2 372	1 737	2 989	7 098
<i>Of which repaid in the respective year</i>	181	144	1 067	1 392
Receivables written off – use	–	3	336	339
Transfer between stages	245	25	(270)	–
FX differences	(3)	(5)	(16)	(24)
<b>Total impairment of receivables from customers as of 31 December 2023</b>	<b>(1 094)</b>	<b>(2 963)</b>	<b>(5 409)</b>	<b>(9 466)</b>
Balance as of 1 January 2024	(1 094)	(2 963)	(5 409)	(9 466)
Charge during the current year	(3 031)	(2 121)	(2 935)	(8 087)
<i>Of which provided in the respective year</i>	(426)	(503)	(322)	(1 251)
Release during the current year	1 946	3 581	1 583	7 110
<i>Of which repaid in the respective year</i>	261	176	689	1 126
Receivables written off – use	–	8	532	540
Transfer between stages	1 060	(1 204)	144	–
FX differences	(4)	(5)	(11)	(20)
<b>Total impairment of receivables from customers as of 31 December 2024</b>	<b>(1 123)</b>	<b>(2 704)</b>	<b>(6 096)</b>	<b>(9 923)</b>

Retail Customers	Stage 1	Stage 2	Stage 3	Total
Balance as of 1 January 2023	(289)	(935)	(482)	(1 706)
Charge during the current year	(876)	(831)	(327)	(2 034)
<i>Of which provided in the respective year</i>	(92)	(231)	(65)	(388)
Release during the current year	510	1 070	183	1 763
<i>Of which repaid in the respective year</i>	49	43	103	195
Receivables written off – use	–	11	122	133
Transfer between stages	306	(305)	(1)	–
FX differences	(1)	(1)	3	1
<b>Total impairment of receivables from customers as of 31 December 2023</b>	<b>(350)</b>	<b>(991)</b>	<b>(502)</b>	<b>(1 843)</b>
Balance as of 1 January 2024	(350)	(991)	(502)	(1 843)
Charge during the current year	(1 344)	(514)	(398)	(2 256)
<i>Of which provided in the respective year</i>	(103)	(102)	31	(174)
Release during the current year	771	1 453	213	2 437
<i>Of which repaid in the respective year</i>	72	39	71	182
Receivables written off – use	–	28	124	152
Transfer between stages	588	(604)	16	–
FX differences	(1)	–	(2)	(3)
<b>Total impairment of receivables from customers as of 31 December 2024</b>	<b>(336)</b>	<b>(628)</b>	<b>(549)</b>	<b>(1 513)</b>

#### i) Receivables Written-Off and Being Subject to Enforcement

The amount of written-off receivables due from customers still subject to enforcement as of 31 December 2024 was MCZK 2 477 (as of 31 December 2023: MCZK 1 908). Income from written-off receivables that have been subject to enforcement to date was immaterial for the years 2024 and 2023.

#### j) Receivables from Finance Leases

	31 Dec 2024	31 Dec 2023
	Cash Flow to be received (gross receivables from finance lease)	
Receivables from finance leases:		
Within 1 year	5 370	5 264
From one year to two years	3 570	3 917
From two years to three years	2 396	2 817
From three years to four years	1 506	1 696
From four years to five years	855	883
More than five years	598	909
Total cash flows to be received from finance leases	14 295	15 486
Unearned finance income	(1 195)	(1 326)
<b>Lease receivables</b>	<b>13 100</b>	<b>14 160</b>

## 16. Positive fair value of hedging derivatives

#### Based on the Hedging Purpose

	31.12.2024	31.12.2023
Fair value hedging	5 006	5 345
Cash flow hedging	5 830	8 967
<b>Total</b>	<b>10 836</b>	<b>14 312</b>

More details on hedging are included in section V. Other Notes, point 35. Financial Risk management.

## 17. Equity-accounted investees

	Assets	Liabilities	Equity	Operating income	Profit/(loss)	Net book value
<b>31 December 2024</b>						
RCI Financial Services, s.r.o. (50%)	3 024	2 440	584	165	73	341
<b>Total</b>						<b>341</b>
<b>31 December 2023</b>						
RCI Financial Services, s.r.o. (50%)	2 799	2 198	602	175	100	349
<b>Total</b>						<b>349</b>

### Changes in Investments in Associates

	2024	2023
Balance at 1 January	349	355
Change in the income statement	36	50
Dividend	(44)	(56)
<b>Total at 31 December</b>	<b>341</b>	<b>349</b>

## 18. Property, equipment and right of use assets

	31.12.2024	31.12.2023
<b>Property and equipment for operations</b>		
Buildings and land	1 056	941
Leasehold improvements of rent buildings	239	237
Fixtures and fittings	40	37
IT equipment	66	60
Assets provided under operating leases – transport facilities	3 637	3 219
Other	453	477
<b>Right of use assets</b>		
Buildings and land	1 935	2 113
<b>Total</b>	<b>7 426</b>	<b>7 084</b>

(a) Movements in Property and Equipment Held for Operations

	Buildings and land	Leasehold improvements of rent buildings	Fixtures and fittings	IT equipment	Operating leases transport facilities	Other	Total
<b>Fair Value (Buildings and land) / Cost at 1 January 2023</b>	2 617	1 080	135	621	4 006	586	9 045
Accumulated depreciation and impairment at 1 January 2023	(1 749)	(847)	(102)	(564)	(1 159)	(215)	(4 636)
<b>Net Book Value at 1 January 2023</b>	<b>868</b>	<b>233</b>	<b>33</b>	<b>57</b>	<b>2 847</b>	<b>371</b>	<b>4 409</b>
Increases in fair value	5	–	–	–	–	–	5
Reductions in fair value	(44)	–	–	–	–	–	(44)
Additions	118	44	15	27	1 338	111	1 653
Disposals	–	–	–	–	(156)	(8)	(164)
Depreciation charges	(24)	(40)	(7)	(28)	(490)	(12)	(601)
Other and FX rate gains or losses	18	–	(4)	4	(320)	15	(287)
<b>Net Book Value at 31 December 2023</b>	<b>941</b>	<b>237</b>	<b>37</b>	<b>60</b>	<b>3 219</b>	<b>477</b>	<b>4 971</b>
<b>Fair Value (Buildings and land) / Cost at 31 December 2023</b>	<b>2 678</b>	<b>1 122</b>	<b>131</b>	<b>574</b>	<b>4 436</b>	<b>713</b>	<b>9 654</b>
Accumulated depreciation and impairment at 31 December 2023	(1 737)	(885)	(94)	(514)	(1 217)	(236)	(4 683)
<b>Fair Value (Buildings and land) / Cost at 1 January 2024</b>	<b>2 678</b>	<b>1 122</b>	<b>131</b>	<b>574</b>	<b>4 436</b>	<b>713</b>	<b>9 654</b>
Accumulated depreciation and impairment at 1 January 2024	(1 737)	(885)	(94)	(514)	(1 217)	(236)	(4 683)
<b>Net Book Value at 1 January 2024</b>	<b>941</b>	<b>237</b>	<b>37</b>	<b>60</b>	<b>3 219</b>	<b>477</b>	<b>4 971</b>
Increases in fair value	44	–	–	–	–	–	44
Reductions in fair value	(14)	–	–	–	–	–	(14)
Additions	96	45	14	29	1 425	37	1 646
Disposals	–	–	–	–	(220)	7	(213)
Depreciation charges	(26)	(46)	(7)	(27)	(509)	(34)	(649)
Other and FX rate gains or losses	15	3	(4)	4	(278)	(34)	(294)
<b>Net Book Value at 31 December 2024</b>	<b>1 056</b>	<b>239</b>	<b>40</b>	<b>66</b>	<b>3 637</b>	<b>453</b>	<b>5 491</b>
<b>Fair Value (Buildings and land) / Cost at 31 December 2024</b>	<b>2 877</b>	<b>1 174</b>	<b>136</b>	<b>606</b>	<b>4 870</b>	<b>699</b>	<b>10 362</b>
Accumulated depreciation and impairment at 31 December 2024	(1 821)	(935)	(96)	(540)	(1 233)	(246)	(4 871)

The carrying amount of Buildings and land that would have been recognised had the assets been carried under the cost model (i.e. not revalued) would be MCZK 813 (as of 31 December 2023: MCZK 721).



## (b) Movements in Right of Use Assets

	Buildings and land	Total
<b>Net Book Value at 1 January 2023</b>	<b>2 034</b>	<b>2 034</b>
Additions	424	424
Disposals	(12)	(12)
Depreciation	(333)	(333)
<b>Net Book Value at 31 December 2023</b>	<b>2 113</b>	<b>2 113</b>
Cost at 31 December 2023	3 858	3 858
Accumulated depreciation and impairment at 31 December 2023	(1 745)	(1 745)
<b>Net Book Value at 1 January 2024</b>	<b>2 113</b>	<b>2 113</b>
Additions	295	295
Disposals	(122)	(122)
Depreciation	(351)	(351)
<b>Net Book Value at 31 December 2024</b>	<b>1 935</b>	<b>1 935</b>
Cost at 31 December 2024	4 021	4 021
Accumulated depreciation and impairment at 31 December 2024	(2 086)	(2 086)

## 19. Intangible assets

### Movements in Intangible Assets

	Software	Total
<b>Cost at 1 January 2023</b>	<b>6 043</b>	<b>6 043</b>
Accumulated amortisation and impairment at 1 January 2023	(3 331)	(3 331)
<b>Net Book Value at 1 January 2023</b>	<b>2 712</b>	<b>2 712</b>
Additions	678	678
Amortisation charges	(915)	(915)
Other	78	78
<b>Net Book Value at 31 December 2023</b>	<b>2 553</b>	<b>2 553</b>
Cost at 31 December 2023	6 551	6 551
Accumulated amortisation and impairment at 31 December 2023	(3 998)	(3 998)
<b>Cost at 1 January 2024</b>	<b>6 551</b>	<b>6 551</b>
Accumulated amortisation and impairment at 1 January 2024	(3 998)	(3 998)
<b>Net Book Value at 1 January 2024</b>	<b>2 553</b>	<b>2 553</b>
Additions	531	531
Amortisation charges	(749)	(749)
Other	67	67
<b>Net Book Value at 31 December 2024</b>	<b>2 402</b>	<b>2 402</b>
Cost at 31 December 2024	7 145	7 145
Accumulated amortisation and impairment at 31 December 2024	(4 743)	(4 743)

## 20. Other assets

	31.12.2024	31.12.2023
Deferred expenses and accrued income	744	530
Trade receivables	274	238
Receivables from securities	15	13
Clearing and settlement accounts	2 034	679
Other	217	182
<b>Total</b>	<b>3 284</b>	<b>1 642</b>
Impairment losses on other assets	(14)	(14)
<b>Net other assets</b>	<b>3 270</b>	<b>1 628</b>

## 21. Financial liabilities held for trading

Based on the Type of Financial Instrument

	31.12.2024	31.12.2023
Derivatives	23 840	33 373
<b>Total</b>	<b>23 840</b>	<b>33 373</b>

## 22. Financial liabilities at amortised cost – deposits from banks

Analysis of Deposits from Banks by Type

	31.12.2024	31.12.2023
Deposits from central banks	–	3 667
Current accounts	5 753	5 002
Loans	3 445	4 951
Term deposits	4 479	4 491
Sale and repurchase agreements (see section V, point 32)	13 131	15 209
Other	39	41
<b>Total</b>	<b>26 847</b>	<b>33 361</b>

Item “Deposits from central banks” includes as of 31 December 2023 MCZK 3 667 of funding from Targeted Longer-Term Refinancing Operations (hereinafter “TLTRO”). This facility was repaid on March 27, 2024.

The TLTRO liabilities were banking book funding instruments subsequently measured at amortised cost according to IFRS 9, 4.2.1. Financial conditions incorporated into TLTROs were reflecting The European Central Bank (hereinafter “ECB”) monetary policy initiatives to prospectively reduce market cost of funding for banking institutions by using non-conventional tools and reflected in money market operations.

In 2024 Bank recognized, a Net Interest Income contribution from TLTRO equal to MCZK as expense 35 (2023: income of MCZK 583).

## 23. Financial liabilities at amortised cost – deposits from customers and Lease liabilities

Analysis of Deposits from Customers by Type

	31.12.2024	31.12.2023
Current accounts	458 254	432 412
Term deposits	178 666	130 902
Lease Liabilities	2 111	2 123
Sale and repurchase agreements (see section V, point 32)	60 976	50 060
Other	2 468	1 889
<b>Total</b>	<b>702 475</b>	<b>617 386</b>

### Movements in Lease Liabilities

	2024	2023
As at 1 January	2 123	1 995
Additions	173	412
Accretion of interest	66	58
Lease payments	(393)	(365)
Other and FX rate gains or losses	142	23
<b>Total at 31 December</b>	<b>2 111</b>	<b>2 123</b>

The Group had total cash outflows for leases of MCZK 446 in 2024, incl. those leases that are not in-scope of IFRS 16 (in 2023: MCZK 427).

## 24. Financial liabilities at amortised cost – issued debt securities

### Analysis of Issued Debt Securities

	31.12.2024	31.12.2023
Mortgage bonds	80 190	47 916
Structured bonds	4 184	1 753
Other issued debt securities	29 394	28 855
<b>Total</b>	<b>113 768</b>	<b>78 524</b>

### Movements in Issued Debt Securities

	2024	2023
As at 1 January	78 524	34 412
Issue	35 788	43 084
Repayment of principal	(539)	(140)
Accretion of interest	4 290	2 212
Repayment of interest	(4 295)	(1 044)
<b>Total at 31 December</b>	<b>113 768</b>	<b>78 524</b>

Structured bonds (included in the line “*Structured bonds*” and partly in the line “*Mortgage bonds*”) include embedded options – currency, equity, commodity and interest rate options – in the total nominal value of MCZK 1 577 (at 31 December 2023: MCZK 1 857). The positive fair value of these derivatives of MCZK 15 is reported under “*Financial assets held for trading*” (at 31 December 2024: MCZK 4); the negative fair value of these derivatives of MCZK (386) is recognised under “*Financial liabilities held for trading*” (at 31 December 2023: MCZK (238)).

Other issued debt securities includes also MREL instrument (MREL = The Minimum Requirement for Own Funds and Eligible Liabilities) in the form of EUR Senior Non-Preferred Bond issued for purpose of fulfilment of the capital requirements under the EU law (BRRD2 Directive and Czech Recovery and Resolution Crisis Act) as a part of the Single Point of Entry model (“SPE”) applied within UC Group. The MREL instruments was issued as of 23 November 2021 with total nominal value of MCZK 16 408 and maturity date as of 23 November 2027 and as of 27 September 2023 with total nominal value of MCZK 10 632 and maturity date as of 23 September 2029. In both cases with option to call the bond after 5 years. The only investor is UniCredit S.p.A. The total value as of 31 December 2024 is MCZK 27 527 (at 31 December 2023: MCZK 27 045).

Other debt securities issued also include a Credit Linked Note („CLN”) issued on 27 November 2024 with a nominal value of EUR 100 million and a contractual maturity set at 22 August 2053. The expected maturity is approximately 5 years. This CLN is part of the newly created synthetic securitisation programme, which represents an ongoing strategy of capital and risk-weighted asset optimisation. The total value of the CLN at 31 December 2024 is MCZK 2 536.

The synthetic securitisation covers the underlying loan portfolio totalling EUR 1 670 million. The underlying loan portfolio is represented by Czech and Slovak corporate loans granted by the Bank in the ordinary course of its business. The ratio of Czech and Slovak loans is approximately 60:40. The synthetic securitisation is split into a junior (EUR 12 million), a mezzanine (EUR 100 million) and a senior tranche (EUR 1 558 million). The risk of loss arising from the junior and senior tranches remains with the Bank. The risk of loss arising from the mezzanine tranche is covered

by the issued CLN, i.e. held by the investor in the CLN. As of 31 December 2024, the mezzanine tranche has not been reached and the risk of loss arising from the underlying loan portfolio has not been passed through the issued CLN to the investor at all. Below please find overview table of synthetic securitization.

Type of securitisation:	Synthetic	
Originator:	UniCredit Bank Czech Republic and Slovakia	
Issuer:	UniCredit Bank Czech Republic and Slovakia	
Arranger:	UniCredit Bank GMBH	
Target transaction:	capital optimization	
Type of asset:	MID corporate and SME loans	
Quality of Asset:	performing	
Closing date:	27.11.24	
Nominal Value of underlying portfolio (EUR million):	1 670	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach*	
Amount and Condition of tranching:		
ISIN	–	XS2940446557
Type of security	Senior	Mezzanine
Class	A	B
Issue date	27.11.2024	27.11.2024
Legal maturity	22.08.2053	22.08.2053
Call option	Yes	Yes
Expected duration (years)	4,8	4,8
Rate	–	9,75%
Subordinated level	–	sub A
Reference Position (EUR million)	1 558	100
Risk holder	UniCredit Bank Czech Republic and Slovakia	Synthetic securitisation investor
ISIN	–	
Type of security	Junior	
Class	C	
Issue date	27.11.2024	
Legal maturity	22.08.2053	
Call option	Yes	
Expected duration (years)	4,8	
Rate	–	
Subordinated level	sub A, B	
Reference Position (€ million)	12	
Risk holder	UniCredit Bank Czech Republic and Slovakia	

\* Synthetic securitization carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) No.575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms.

## 25. Negative fair value of hedging derivatives

### Based on the Hedging Purpose

	31.12.2024	31.12.2023
Fair value hedging	13 573	14 886
Cash flow hedging	10 122	15 001
<b>Total</b>	<b>23 695</b>	<b>29 887</b>

More details on hedging are included in section V. Other Notes, point 35. Financial Risk management.

## 26. Other liabilities

	31.12.2024	31.12.2023
Deferred income and accrued expenses	1 580	1 345
Trade payables	503	385
Payables to employees	734	728
Unsettled security transactions	858	396
Clearing and settlement accounts	4 056	5 688
Other	420	563
<b>Total</b>	<b>8 151</b>	<b>9 105</b>

## 27. Provisions for risks and charges

Provisions for risks and charges include the following items:

	31.12.2024	31.12.2023
Provisions for off-balance sheet credit exposures	756	1 269
Stage 1	221	214
Stage 2	131	323
Stage 3	404	732
Legal disputes	66	41
Provision for restructuring	231	1
Other	120	107
<b>Total</b>	<b>1 173</b>	<b>1 418</b>

### (a) Provisions for Off-Balance Sheet Credit Exposures

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2023	324	244	582	1 150
Charge during the year	141	307	562	1 010
Release during the year	(333)	(198)	(372)	(903)
Transfer between stages	80	(33)	(47)	–
Other – FX rate gains or losses	2	3	7	12
<b>Total provisions for off-balance sheet credit items at 31 December 2023</b>	<b>214</b>	<b>323</b>	<b>732</b>	<b>1 269</b>
Balance at 1 January 2024	214	323	732	1 269
Charge during the year	116	100	177	393
Release during the year	(203)	(216)	(499)	(918)
Transfer between stages	82	(76)	(6)	–
Other – FX rate gains or losses	12	–	–	12
<b>Total provisions for off-balance sheet credit items at 31 December 2024</b>	<b>221</b>	<b>131</b>	<b>404</b>	<b>756</b>

### (b) Other Provisions

	Legal disputes	Restructuring provision	Other	Total
Balance at 1 January 2023	89	1	24	114
Charge during the year	12	–	113	125
Usage during the year	(54)	–	53	(1)
Release of redundant provisions and other	(6)	–	(83)	(89)
<b>Total other provisions at 31 December 2023</b>	<b>41</b>	<b>1</b>	<b>107</b>	<b>149</b>
Balance at 1 January 2024	41	1	107	149
Charge during the year	24	231	(17)	238
Usage during the year	–	(1)	1	–
Release of redundant provisions and other	1	–	29	(30)
<b>Total other provisions at 31 December 2024</b>	<b>66</b>	<b>231</b>	<b>120</b>	<b>417</b>



## 28. Income tax

### (a) Tax in the Income Statement

	2024	2023
Current year tax expense	(2 920)	(2 091)
Changes on prior year tax expense estimate	(90)	160
Deferred tax	138	(190)
<b>Total income tax expense</b>	<b>(2 872)</b>	<b>(2 121)</b>

The income tax of the Group differs from the theoretical tax which would arise if the tax rate effective in the Czech Republic were applied as follows:

	2024	2023
Profit for the year before income tax	13 572	12 576
Tax calculated using the tax rate of 21% (2023: 19%)	(2 851)	(2 389)
Changes in estimates relating to prior years	(89)	160
Non-taxable income	728	505
Tax non-deductible expenses	(151)	(151)
Impact of prior years on the deferred tax	4	(174)
Impact of a higher Slovak tax rate	6	(16)
Recognition of previously unrecognised deferred tax	–	(2)
Other	(519)	(54)
<b>Total income tax</b>	<b>(2 872)</b>	<b>(2 121)</b>

The effective tax rate of the Group is 21.16% (2023: 16.87%).

The Item "Other" includes also the adjustment of deferred tax due to the change in the statutory nominal income tax rate in Slovakia from 21% to 24% in the amount of MCZK 73 in Uncredit Bank Czech Republic and Slovakia, a.s., it also includes Bank Levy in amount of MCZK 626.

### (b) Deferred Tax Asset/Liability

Deferred income tax is calculated on all temporary differences using the balance sheet liability method under the application of the appropriate tax rate.

When calculating net tax assets and liabilities, the Group offsets deferred tax assets against deferred tax liabilities arising from income tax paid to the same tax institution in the same tax category.

Group Management believes that the Group will be able to fully recover deferred tax assets reported as of 31 December 2024 based on the current and anticipated future level of taxable profits.

#### (i) Deferred Tax Asset

	31.12.2024	31.12.2023
Tax non-deductible provisions	235	163
Impairment of loans and off-balance sheet items	748	807
Differences arising from the net book values of tangible assets	497	496
Reserve from revaluation of hedging instruments *	1 074	1 239
Reserve from revaluation of financial assets at fair value through other comprehensive income *	106	86
Other	237	212
Offsetting against deferred tax liability	(782)	(812)
<b>Net deferred tax asset</b>	<b>2 115</b>	<b>2 191</b>

\* Change in deferred tax from these items is posted via Other Comprehensive Income.

**(ii) Deferred Tax Liability**

	31.12.2024	31.12.2023
Impairment of loans and off-balance sheet items	504	567
Differences arising from the net book values of tangible assets	619	626
Differences arising from the net book values of intangible assets	137	175
Reserve from revaluation of hedging instruments *	4	13
Reserve from revaluation of financial assets at fair value through other comprehensive income *	36	13
Reserve from revaluation of property measured at fair value *	57	46
Other	3	2
Offsetting against deferred tax asset	(782)	(812)
<b>Net deferred tax liability</b>	<b>578</b>	<b>630</b>

\* Change in deferred tax from these items is posted via Other Comprehensive Income.

The Group additionally carries the following deferred tax assets which are not recognised on the grounds of prudence arising from: non-tax deductible provisions recognised by Unicredit Bank Czech Republic and Slovakia, a.s. of MCZK 11 (2023: MCZK 11) and by UniCredit Leasing Slovakia, a.s. of MCZK 29 (2023: MCZK 29); and from tangible assets by UniCredit Leasing CZ, a.s. of MCZK 21 (2023: MCZK 23).

The Bank is subject to top-up taxes in accordance with Act 416/2023 Coll., on top-up taxes for large multinational groups and large domestic groups. The Bank expects that the impact on the total tax liability will be insignificant. The top-up taxes tax was not taken into account in the calculation of deferred tax.

## 29. Issued capital and share premium

The recorded, issued and fully paid capital of the Group amounted to MCZK 8 755 as of 31 December 2024 and 2023.

**(a) Shareholder Structure**

Entity	Registered office	Nominal value of shares in MCZK	Share premium in MCZK	Ownership percentage
<b>At 31 Dec 2024</b>				
UniCredit S.p.A	Italy	8 755	3 495	100
<b>Total</b>		<b>8 755</b>	<b>3 495</b>	<b>100</b>
<b>At 31 Dec 2023</b>				
UniCredit S.p.A	Italy	8 755	3 495	100
<b>Total</b>		<b>8 755</b>	<b>3 495</b>	<b>100</b>

**(b) Capital Breakdown**

	31 Dec 2024 Number of shares	31 Dec 2024 MCZK	31 Dec 2023 Number of shares	31 Dec 2023 MCZK
Ordinary shares of CZK 16,320,000	100	1 632	100	1 632
Ordinary shares of CZK 13,375,000	200	2 675	200	2 675
Ordinary shares of CZK 10,000	436 500	4 365	436 500	4 365
Ordinary shares of CZK 7,771,600	10	78	10	78
Ordinary shares of CZK 46	106 563	5	106 563	5
<b>Total issued capital</b>		<b>8 755</b>		<b>8 755</b>

The shares are freely transferrable. Ordinary shares include the entitlement to participate in the Group's governance and the entitlement to a share on profit.

Both at 31 December 2024 and 31 December 2023, the Group held no treasury shares.

### 30. Equity-based bonuses

The Group has not implemented any employee motivation or stabilisation programme for the purchase of treasury shares or remuneration in the form of treasury share options.

### 31. Retained earnings and reserve funds

The following table shows the breakdown of the reserve funds:

	31.12.2024	31.12.2023
Reserve funds	5 243	5 243
Special-purpose reserve fund	11 609	11 609
Retained earnings	47 646	52 399
<b>Total</b>	<b>64 498</b>	<b>69 251</b>

As part of the cross-border merger, the share capital of UniCredit Bank Slovakia a.s. of MCZK 6 056, the reserve fund of UniCredit Bank Slovakia a.s. of MCZK 1 166 and retained earnings of UniCredit Bank Slovakia a.s. of MCZK 4 382 were transferred into a Special-purpose reserve fund denominated in EUR. This part of the Special-purpose reserve fund in total amount of MCZK 11 609 from cross-border merger can only be used to settle the loss of the Bank.

### 32. Repurchase and reverse repurchase transactions

#### (a) Reverse Repurchase Transactions

	31.12.2024	31.12.2023
Loans and advances to banks	180 603	134 596
Fair value of securities received	180 288	132 295

Securities received as collateral as part of reverse repurchase transactions are further provided as collateral under repurchase transactions as of 31 December 2024 MCZK 3 071 (as of 31 December 2023: MCZK 0).

#### (b) Repurchase Transactions

	31.12.2024	31.12.2023
Deposits from banks	13 131	15 209
Deposits from clients	60 976	50 060
Fair value of securities provided	73 695	66 893

### 33. Contingent liabilities, contingent assets and financial derivatives

In the ordinary course of business, the Group conducts various financial transactions that are not reported the Group's statement of financial position and that are designated as off-balance sheet financial instruments.

Unless stated otherwise, the information below represents the nominal values of off-balance sheet transactions.

#### (a) Contingent Liabilities

##### *Legal Disputes*

As of 31 December 2024, the Group assessed the legal disputes in which it acted as a defendant. The Group recorded provisions for these legal disputes (see section V, point 27). In addition to these

disputes, legal actions arising from ordinary business activities were taken against the Group. The management does not anticipate the result of these legal disputes to have a material impact on the Group's financial position.

##### *Taxation*

Czech and Slovak tax legislation has significantly changed in recent years. Many complicated legislation areas remained unresolved, and it may not be possible to determine the interpretation of taxation authorities in specific cases in advance. It is not possible to quantify the consequences of this uncertainty; they may be resolved solely under the condition that the relevant legal regulations are adopted in practice or in the event that official interpretations are available.

##### *Loan Commitments, financial guarantees and other commitments given*

Loan commitments issued by the Group include issued credit and

guarantee commitments, and undrawn amounts of credits and overdraft loan facilities. Revocable commitments include undrawn loans that may be revoked by the Group at any time without stating the reason. On the contrary, irrevocable commitments represent the Group's liability to provide a credit or issue a guarantee, the performance of which, even though bound on meeting the contractual terms by the client, is to a certain extent independent of the Group's will.

Financial guarantees include irrevocable commitments made by the Group to repay debts in lieu of the debtor owed to the guarantee beneficiary in case the debtor defaults on their obligation to pay subject to terms and conditions of the individual contracts. As such, commitments bear similar risk to loans, the Group creates the relevant provisions using a similar algorithm as for provisions (see section V. Other Notes, point 35. Financial Risk Management).

Documentary letters of credit represent a written irrevocable commitment of the Group issued based on a client's request (orderer), to provide a third party or to its order (recipient, beneficiary), with certain performance, under the condition the terms of the letter of credit are met by a specified deadline. For these financial instruments, the Group creates provisions using a similar algorithm as applied for credits (see section V. Other Notes, point 35. Financial Risk Management).

The Group recorded provisions for off-balance sheet items to cover expected credit losses and arising from the impairment losses on the off-balance sheet items due to credit risk. As of 31 December 2024, the aggregate provisions amounted to MCZK 756 (as of 31 December 2023: MCZK 1 269), see section V. Other Notes, point 27. Provisions (a).

	Gross amount	Provisions for risks and charges	Net amount
<b>31.12.2024</b>			
Letters of credit and financial guarantees	47 843	(391)	47 452
– Stage 1	44 053	(145)	43 908
– Stage 2	3 568	(95)	3 473
– Stage 3	222	(151)	71
Other contingent liabilities (undrawn credit facilities)	188 397	(365)	188 032
– Stage 1	179 712	(76)	179 636
– Stage 2	7 314	(36)	7 278
– Stage 3	1 371	(253)	1 118
<b>Total</b>	<b>236 240</b>	<b>(756)</b>	<b>235 484</b>
<b>31.12.2023</b>			
Letters of credit and financial guarantees	49 947	(570)	49 377
– Stage 1	46 136	(127)	46 009
– Stage 2	3 424	(141)	3 283
– Stage 3	387	(302)	85
Other contingent liabilities (undrawn credit facilities)	173 231	(699)	172 532
– Stage 1	160 285	(87)	160 198
– Stage 2	12 108	(182)	11 926
– Stage 3	838	(430)	408
<b>Total</b>	<b>223 178</b>	<b>(1 269)</b>	<b>221 909</b>

#### Classification of Off-balance sheet items gross amount according to Internal Rating incl. Probability of Default ("PD") for Internal Ratings

	Gross Off-balance sheet items		PD
	31 Dec 2024	31 Dec 2023	31 Dec 2024 and 31 Dec 2023
Performing off-balance sheet items – stage 1 and 2			
Internal rating 1	25 752	24 032	0,02% – 0,04%
Internal rating 2	63 627	45 433	0,06% – 0,10%
Internal rating 3	42 446	33 594	0,14% – 0,26%
Internal rating 4	48 747	65 494	0,36% – 0,66%
Internal rating 5	34 186	30 839	0,90% – 1,68%
Internal rating 6	16 078	18 518	2,29% – 4,25%
Other internal rating	3 765	4 040	5,80% – 20,00%
Off-balance sheet items without internal rating	46	3	37,15%
<b>Total</b>	<b>234 647</b>	<b>221 953</b>	
Non-performing off-balance sheet items – stage 3	1 593	1 225	100%
<b>Total</b>	<b>236 240</b>	<b>223 178</b>	

**(b) Contingent Assets**

The Bank has an option to draw a credit line from The Export-Import Bank of The Republic of China of MCZK 606 (MUSD 25) with the maximum maturity of five years from the time of drawing.

**(c) Financial Derivatives****(i) Nominal and Fair Values of Financial Derivatives**

	Nominal value	Positive fair value	Negative fair value
<b>31.12.2024</b>			
<b>Trading instruments – interbank market (OTC)</b>			
Options (majority for FX)	190 543	2 076	2 071
Interest rate swap contracts	774 527	20 309	19 185
Forward rate agreements (FRA)	–	–	–
Cross currency swap contracts	223 102	2 303	1 591
Foreign exchange forwards and swaps	35 310	594	882
Other instruments	6 447	121	111
<b>Total trading instruments</b>	<b>1 229 929</b>	<b>25 403</b>	<b>23 840</b>
<b>Hedging instruments</b>			
Interest rate swap contracts	804 731	10 282	23 669
Cross currency swap contracts	68 855	554	26
<b>Total hedging instruments</b>	<b>873 586</b>	<b>10 836</b>	<b>23 695</b>
<b>31.12.2023</b>			
<b>Trading instruments – interbank market (OTC)</b>			
Options (majority for FX)	145 229	1 817	1 810
Interest rate swap contracts	862 970	28 067	26 982
Forward rate agreements (FRA)	8 220	8	1
Cross currency swap contracts	177 469	3 252	2 615
Foreign exchange forwards and swaps	35 829	445	1 588
Other instruments	3 298	393	377
<b>Total trading instruments</b>	<b>1 233 015</b>	<b>33 982</b>	<b>33 373</b>
<b>Hedging instruments</b>			
Interest rate swap contracts	763 090	13 921	29 342
Cross currency swap contracts	83 274	391	545
<b>Total hedging instruments</b>	<b>846 364</b>	<b>14 312</b>	<b>29 887</b>

**(ii) Residual Maturity of Financial Derivatives Concluded on the Interbank Market**

	Up to 1 year	1 – 5 years	Over 5 years	Total
<b>31.12.2024</b>				
<b>Trading instruments</b>				
Interest rate instruments	145 111	482 618	191 606	819 335
Equity instruments	1 081	2 378	–	3 459
Currency instruments	300 173	100 897	3 395	404 465
Other	1 763	907	–	2 670
<b>Total</b>	<b>448 128</b>	<b>586 800</b>	<b>195 001</b>	<b>1 229 929</b>
<b>Hedging instruments</b>				
Interest rate instruments	158 985	461 852	183 894	804 731
Currency instruments	3 915	36 868	28 072	68 855
<b>Total</b>	<b>162 900</b>	<b>498 720</b>	<b>211 966</b>	<b>873 586</b>



	Up to 1 year	1 – 5 years	Over 5 years	Total
<b>31.12.2023</b>				
<b>Trading instruments</b>				
Interest rate instruments	170 261	475 766	262 430	908 457
Equity instruments	825	3 195	–	4 020
Currency instruments	218 387	90 928	7 925	317 240
Other	2 497	801	–	3 298
<b>Total</b>	<b>391 970</b>	<b>570 690</b>	<b>270 355</b>	<b>1 233 015</b>
<b>Hedging instruments</b>				
Interest rate instruments	101 381	433 244	228 465	763 090
Currency instruments	16 118	16 852	50 304	83 274
<b>Total</b>	<b>117 499</b>	<b>450 096</b>	<b>278 769</b>	<b>846 364</b>

## 34. Segment reporting

The Group presents the segment information based on performance criteria as disclosed in section III. Material Accounting Policies, point 20. Segment reporting.

### (a) Segment Information by Client Category

	Retail and private banking	Corporate and investment banking, leases	Other	Total
<b>31.12.2024</b>				
Net interest and dividend income	4 479	11 338	(180)	15 637
Net fee and commission income	1 078	3 276	(59)	4 295
Management services	404	3	–	407
Deposit and custody services and Securities transactions	88	258	(61)	285
Financial services (loans, guarantees, factoring etc.)	133	1 458	2	1 593
Transactional and Banking Services (current accounts, payments etc.)	453	1 557	–	2 010
Other net income	338	3 302	281	3 921
Depreciation/impairment of property and equipment and intangible assets	–	(164)	(1 585)	(1 749)
Impairment loss	(69)	(942)	209	(802)
Segment expenses	(4 129)	(4 489)	888	(7 730)
Profit before tax	1 711	12 359	(498)	13 572
Income tax	–	–	(2 872)	(2 872)
<b>Result of segment</b>	<b>1 697</b>	<b>12 321</b>	<b>(3 318)</b>	<b>10 700</b>
Segment assets	234 265	724 302	20 721	979 288
Segment liabilities	299 805	479 955	116 246	896 006

	Retail and private banking	Corporate and investment banking, leases	Other	Total
<b>31.12.2023</b>				
Net interest and dividend income	5 273	12 788	(2 630)	15 431
Net fee and commission income	821	2 900	(59)	3 662
Management services	366	3	–	369
Deposit and custody services and Securities transactions	149	302	(60)	391
Financial services (loans, guarantees, factoring etc.)	158	1 568	3	1 729
Transactional and Banking Services (current accounts, payments etc.)	148	1 027	(2)	1 173
Other net income	497	2 847	331	3 675
Depreciation/impairment of property and equipment and intangible assets	–	(191)	(1 658)	(1 849)
Impairment loss	(450)	63	97	(290)
Segment expenses	(3 900)	(4 790)	637	(8 053)
Profit before tax	2 241	13 617	(3 282)	12 576
Income tax	–	–	(2 121)	(2 121)
Result of segment	<b>2 241</b>	<b>13 617</b>	<b>(5 403)</b>	<b>10 455</b>
Segment assets	213 035	652 880	17 995	883 910
Segment liabilities	272 827	441 160	83 378	797 365

The income tax for all segments is presented in the segment “Other”.

The Group does not have a customer or a group of customers that would comprise more than 10 percent of the Group's income.

#### (b) Information on Geographical Areas

	Czech Republic	Slovakia	Total
<b>31.12.2024</b>			
Net interest and dividend income	10 141	5 496	15 637
Net fee and commission income	3 056	1 239	4 295
Other net income	3 067	854	3 921
Depreciation/impairment of property and equipment and intangible assets	(1 160)	(589)	(1 749)
Impairment loss	(700)	(102)	(802)
Segment expenses	(5 613)	(2 117)	(7 730)
Profit before tax	8 791	4 781	13 572
Income tax	(1 762)	(1 110)	(2 872)
Result of segment	<b>7 029</b>	<b>3 671</b>	<b>10 700</b>
Segment assets	791 938	187 350	979 288
Segment liabilities	760 928	135 078	896 006

	Czech Republic	Slovakia	Total
<b>31.12.2023</b>			
Net interest and dividend income	10 615	4 816	15 431
Net fee and commission income	2 551	1 111	3 662
Other net income	2 190	1 492	3 682
Depreciation/impairment of property and equipment and intangible assets	(1 304)	(545)	(1 849)
Impairment loss	(22)	(268)	(290)
Segment expenses	(6 026)	(2 034)	(8 060)
Profit before tax	8 004	4 572	12 576
Income tax	(1 510)	(611)	(2 121)
Result of segment	<b>6 494</b>	<b>3 961</b>	<b>10 455</b>
Segment assets	725 651	158 259	883 910
Segment liabilities	681 698	115 667	797 365

## 35. Financial risk management

### (a) Introduction

The Group is exposed to the following types of risk:

- Credit risk;
- Market risk; and
- Operational risk.

The Board of Directors is responsible for the overall risk management strategy which it approves and assesses on a regular basis. The Board of Directors has established the Financial Risk Committee, the Credit Committee and the Non Financial Risk Committee. These committees are in charge of monitoring and managing individual risks with regard to individual specific fields. The committees report to the Board of Directors on a regular basis.

The principal part of the Group is the Bank; for this reason, the below description primarily relates to the risk management in the Bank. Risk management in subsidiaries is described in section V. Other Notes, point 35b (vi).

### (b) Credit Risk

The Group is exposed to credit risk as a result of its trading, lending, hedging investment and brokerage activities.

Credit risk is managed at the level of individual customers (transactions) and at the portfolio level.

The Credit Operations and Strategic Credit & Integrated Risks units with their subordinate units are directly responsible for credit risk management. These departments are organisationally independent of the business divisions and report directly to a member of the Board of Directors in charge of the Risk management division (Chief Risk Officer).

Under its credit risk management policy, the Group defines the general principles, methods and tools applied when identifying, measuring and managing credit risk. The Group's credit risk management policy is set by the Strategic Credit & Integrated Risk units. This policy is reviewed on a regular basis at least once a year.

In its internal guidelines, the Group defines the underwriting approval competencies, including the definition of responsibilities and competencies of the Credit Committee.

The table below presents the maximum credit risk exposure related to balance sheet assets. Maximum credit risk exposure excludes impact of received collateral:

	31. 12. 2024	31. 12. 2023
Cash and cash balances	10 113	8 818
Financial assets at fair value through profit or loss, of which:	25 530	34 156
<i>Held for trading</i>	25 427	33 985
<i>Mandatorily at fair value</i>	103	171
Financial assets at fair value through other comprehensive income	55 369	51 953
Financial assets at amortised cost, of which:	860 003	759 650
<i>Loans and advances to banks</i>	230 665	158 548
<i>Loans and advances to customers</i>	629 338	601 102
Positive fair value of hedging derivatives	10 836	14 312
Changes in fair value of the portfolio of hedged instruments	1 879	1 122
Other assets	3 270	1 628
<b>Total</b>	<b>967 000</b>	<b>871 639</b>

The table below presents the maximum credit risk exposure related to off-balance sheet items. Maximum credit risk exposure excludes impact received collateral:

	31. 12. 2024	31. 12. 2023
Letters of credit and financial guarantees	47 452	49 377
Other contingent liabilities (undrawn credit facilities)	188 032	172 532
<b>Total</b>	<b>235 484</b>	<b>221 909</b>

#### (i) Credit Risk Management at the Level of Individual Customers

The internal rating system comprises 26 rating levels (1 to 10 adding “+” and “-” to certain rating classes, such as: 1+; 1-; 2+; etc). When classifying customers, the Bank assesses (in addition to the number of days past due with regard to overdue receivables, if any) financial indicators related to the client (such as the structure of and proportion between the statement of financial position, the income statement, and the cash flow statement), management quality, ownership structure, individual customers’ market position, reporting quality, production equipment, account-use history, etc. Customers in default are assigned internal ratings of 8-, 9 or 10.

#### Corporate customers

Credit risk at the level of individual customers is managed by analysing customers’ financial health and determining maximum credit risk exposure (credit limit). Analysis is focused on the customers’ competitive position in the relevant market, a rating of their financial statements, prediction of future liquidity, etc. The result of this analysis is, inter alia, a rating that reflects the probability of client default and takes into account quantitative, qualitative and behavioral factors. Analysing the financial position and setting the limits for credit exposure and rating is undertaken prior to the granting of a loan. Subsequently the rating is reviewed, and creditworthiness is reassessed at least annually.

#### Retail customers

For receivables from individuals, the ability of the client to fulfil their obligations is determined using a standardised system of credit

scoring based on risk-relevant features (credit application scoring). The Bank sets and regularly updates the probability of client default, using the behavioral scoring method. A client’s final rating combines both application and behavioral components.

#### Credit registries

The Bank uses information provided by credit registries as an additional source of information for assessing a client’s financial standing for both Corporate and Retail Client

#### Collateral

In accordance with its credit risk management strategy, prior to granting the loans, the Bank may require that the customers post collateral for the loans. The amount and type of collateral depends on the client’s financial health and the type of the loan. The Bank considers the following to be acceptable types of collateral: cash, investment grade securities, guarantees issued by other reputable entities (including bank guarantees), and pledges in form of mortgage over real estate property. When determining the realisable value of collateral, the Bank principally takes into consideration the financial health of the party providing the collateral for personal collateral (eg guarantees) and the nominal value of the collateral for non-personal collaterals such as pledge of property. The collateral is valued based on expert appraisals made by a special department of the Bank or external valuations. The realisable value of collateral is determined based on this appraised value by applying an adjusting co-efficient that reflects the Bank’s ability to realise the given collateral, as and when needed.

### ***(ii) Credit Risk Management at the Portfolio Level***

The Bank regularly analyses and monitors trends in individual credit sub-portfolios.

The Bank monitors its overall credit risk exposure, ie it takes into account all on-balance and off-balance sheet exposures and quantifies the expected losses from its credit exposure on regular basis. The expected loss is determined based on internal estimates of risk parameters, ie the probability of default (PD), exposure at default (EaD) and loss given default (LGD).

The Bank regularly monitors its credit exposure to individual industries, countries, or economically-connected groups of debtors.

The Bank assesses the concentration risk of the loan portfolio on a regular basis and establishes concentration limits as appropriate in relation to specific industries, countries, or economically-connected groups of debtors.

### ***(iii) Classification of Receivables, Impairment Losses and Provisions***

The Bank categorises its receivables arising from financial activities on a regular basis, in accordance with IFRS 9 Financial Instruments; in particular, it divides its receivables into non-performing receivables = receivables in default (stage 3) and performing receivables = receivables without default (stages 1 and 2).

Stage 2 receivables are receivables which have experienced significant increase in credit risk between the initial recognition and balance sheet date. All receivables are regularly monitored for default and significant increase in credit risk.

### ***Impairment Losses on Non-Performing Receivables***

Impairment losses related to individual non-performing receivables (ie stage 3 under IFRS 9 Financial Instruments) are recognised if carrying amount of individual receivables is less than recoverable amount and the Bank does not write off such receivables (fully or partially). The Bank assesses recoverable of the amount of all receivables in respect of which the debtors are in default: (i) individually if the amount of the receivable exceeds an equivalent of MEUR 1, (ii) collectively using recovery rate derived from the relevant model which reflects historic recovery experience. The Bank writes off receivables if no income is anticipated on it or on the collateral received with regard to the given receivable.

The impairment loss is (i) for individually assessed receivables equal to the difference between the receivable's gross carrying amount and the present value of estimated future cash flows discounted at the receivable's original effective interest rate; (ii) for collectively assessed receivables equal to the lifetime expected credit loss determined on portfolio basis.

### ***Impairment Losses on Performing Receivables***

For performing receivables that have experienced no significant increase in credit risk since origination (ie stage 1), the Bank determines the impairment loss as the portion of lifetime expected credit losses (ECL) that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date (1-year expected credit loss). For Performing receivables that have experienced a significant increase in credit risk since origination but are still performing receivables (ie stage 2), the Bank determines the impairment loss as the expected loss until the final maturity of the receivable (lifetime expected credit loss).

Credit exposures included in stage 1 due to low credit risk exemption amounts to MCZK 5 312 as of 31 December 2024 (31 December 2023: MCZK 1 293).

### ***Provisions for Off-Balance Sheet Items***

The Bank recognises such provisions using the same methods as are used in determining impairment losses on receivable portfolios while taking into account conversion factors related to the specific type of the off-balance exposure.

### ***Impact of ESG Topics on Impairment Losses***

In coordination with the UniCredit Group's activities data collection and delivery for stress testing and regulatory reporting (e.g. regarding physical risks, transitional risks and energy performance certificate) were carried out. As of 31 December 2024, the Group identified the impact stemming from both physical and transitional risks in amount of MCZK 167 (of which MCZK 95 on CZ corporate loans, MCZK 46 on SK corporate loans and MCZK 26 on leasing subsidiary) and considered this amount as an increase of ECL via post-model-adjustment. Granular implementation to each exposure relevant to such kinds of risk is foreseen for year 2025.

The Group is aware of the importance of ESG topic for the future and makes steps to be prepared to cover the upcoming requirements. Accordingly, UniCredit Group signed up to the Net-Zero Banking Alliance. Additionally, a methodology to estimate the potential actual annual deterioration of the fair value (FV) of the collaterals behind the mortgage portfolio has been developed. The Group is active to promote the ESG topic in communication with clients and to support them to provide necessary information using implemented questionnaires. Data collection and assessment from ESG questionnaire process is mandatory part of approval process for high-end exposure part of portfolio with further future extension of the process to different client groups. The Group is a member of the regular ESG committee of the Czech Banking Association, supporting and cooperating on activities targeting future smooth data collection and processing helping clients to reduce data collection burden. A part of this activity is the creation and the implementation

of harmonized questionnaire, which will be used by all larger banks on the Czech and Slovak markets to collect data related to ESG. Internal implementation project regarding data storage and processing is in progress.

#### **(iv) Forbearance**

The Bank classifies loan receivables as forborne if the originally agreed payment conditions were changed since the loan provision due to customers' financial difficulties (changes predominantly include payment deferral, temporary payment reduction, postponement of the ultimate due date, etc). These items are recognised in the statement of financial position either as non-performing loan receivables or performing loan receivables.

Loan receivables with a change in the originally-agreed payment conditions are generally classified as non-performing loan receivables. Following a robust assessment, the Bank may categorise individual receivables as performing receivables, despite a change in the conditions. This approach is applied if the reasons for the change of the payment conditions are not serious and the Bank does not anticipate incurring a loss from the future collection of such loan receivables.

Performing receivables also include receivables originally classified as non-performing receivables upon the change of payment conditions and which were subsequently transferred into the category of Performing loan receivables because the debtor complied with newly-agreed conditions in line with the Bank's internal rules. This group accounts for the majority of loan receivables reported as forborne – performing receivables.

Loan receivables with changed payment conditions are managed by Credit Restructuring & Workout Department and are subject to standard restructuring and workout procedures and monitoring. The exception is receivables that are not assessed as non-performing receivables upon a change of the payment conditions. These loans are only managed by Credit Restructuring & Workout Department after a thorough assessment of the need to use the know-how of this specialised unit. When releasing receivables from the management of this unit, the statuses of individual cases and the need to use the know-how of the Credit Restructuring & Workout staff is also carefully reviewed.

The period for which the client is designated as forborne is referred to as the probation period and lasts a minimum of two years from the client default /forbearance if the forbearance was without client default. In addition, this period can only be terminated if the client fulfils the agreed conditions duly and timely, is not in delay in excess of 30 days. For amortizing loans, the debt must be reduced by at least 10% during probation period.

Due to the size of the forborne portfolio and the above procedures and practices, we have not identified any serious threats for the Bank resulting from this portfolio. This is supported by the fact that a portion of receivables with changed payment conditions in order to overcome the debtor's deteriorated financial position is reclassified once more as non-performing (recognised in the Bank's statement of financial position as non-performing forborne receivable – see above).

#### **(v) Recovery of Receivables**

The Bank has established the Credit Workout & Restructuring Department which manages the receivables whose recoverability is at risk (both Non-performing and Performing). The purpose of this unit involves achieving one or a number of the following goals in respect of risk-bearing credit receivables:

- a. "Revitalisation" of the credit arrangement, restructuring and subsequent reclassification into standard receivables;
- b. Full repayment of the credit;
- c. Minimisation of the loss from the credit (realisation of collateral, sale of the receivable with a discount, etc); and/or
- d. Prevention of additional losses from the loan (comparison of future expenses versus income).

#### **(vi) Risk Management in Subsidiaries**

The risk management in subsidiaries follows similar principles as the risk management in the Bank taking into account specific features of products provided by subsidiaries and their portfolios.

These specific features primarily include the following:

- Determination of the fair value of financed assets when deciding on the provision of funding;
- Management of risk of a market value change of financed assets during financing;
- Valuation and selling activities after an extraordinary termination of a contract (or due termination of a contract in respect of operating leases) and management of the risk arising from these operations;
- Control activities to prove the connection of the purpose of financing with the existence of the financed asset before the conclusion of the contract and during the contract period (including the prevention against fraudulent activities); and
- Management of the risk of concentration in relation to types of financed assets (classes of assets).

The organisational structure of risk management, risk decision-making committees and system for the allocation of authorities are adjusted to reflect the specific features or products and risks of subsidiaries. This ensures both the independence of risk management from business activities and independence of the persons participating in the valuation of assets and their realisation from the persons having the decision-making authority in the provision of funding.



## **(c) Market Risk**

### **(i) Trading**

The Group holds trading positions in various financial instruments, including financial derivatives. The majority of the Group's business activities are driven by the requirements of the Group's customers. Depending on the predicted demand of its customers, the Group holds a supply of financial instruments and maintains access to the financial markets through quoting of the bid and offer prices and by trading with other market makers. These positions are also held for the purpose of short term profit taking on the expected future development of financial markets and the instruments are classified in line with IFRS 9 Financial instruments as held for trading. The Group's business strategy is thus affected by short term profit taking and market-making and its goal is to maximise net income from trading.

The Group manages risks associated with its trading activities at the level of individual types of risk and types of financial instruments. The basic tools used for market risk management are limits on the volumes applicable to individual transactions, limits for portfolio sensitivity (basis point value, or BPV), stop loss limits, and value at risk (VaR) limits. The description quantitative methods applied in risk management are included in the following section "Market risk management".

The majority of derivatives are negotiated on the OTC market due to the non-existence of a public market for financial derivatives in the Czech Republic.

### **(ii) Market Risk Management**

Below are described selected types of risk to which the Group is exposed through its trading activities as well as managing the positions resulting from these activities and managing these risks. There is also market risk exposure in the Group's banking book which corresponds to portfolios of financial instruments not held for trading. Market Risk is measured for the Trading and Banking book separately and also collectively. The procedures applied by the Group to measure and manage these risks are described in detail in the following paragraphs.

The Group is exposed to market risk arising from its open positions in interest rate, equity and foreign currency instrument transactions that are sensitive to changes in the situation on the financial market.

The Group's risk management focuses on managing the total net exposure to interest rate risk resulting from the Group's structure of assets and liabilities. The Group monitors interest rate risk by measuring the sensitivity of particular assets and liabilities which mature/reprice in specific time interval. This sensitivity is expressed by the change in the values of assets and liabilities if interest rates increase by one basis point (BPV). For hedge accounting purposes, the Group identifies specific assets/liabilities causing this mismatch so that the accounting criteria for the application of hedge accounting are met.

### **Value at Risk**

Value at Risk represents the main method for managing market risks arising from the Group's open positions. Value at Risk represents the potential loss from an unfavourable movement on the market within a certain time period at a certain confidence level. Value at Risk is measured based on a 1-day holding period and a confidence level of 99%. The Group's Value at Risk ("VaR") model calculations have the following limitations:

- The one-day holding period assumes that all positions can be closed during a single day. This assumption does not necessarily apply to markets with lower liquidity.
- The 99% confidence level does not reflect all possible losses that can occur at this confidence level.
- VaR is calculated from the positions at the end of the trading day and does not consider the positions which can be opened on an "intra-day" basis.
- Using historical data as a basis for determining possible future developments does not necessarily cover all possible future scenarios, especially crisis scenarios.

The Group uses VaR to measure interest rate risk, foreign currency risk, equity risk and other types of risk connected with the negative movements in the prices of market factors (spread risk, option risk, etc). The aggregate structure of VaR limits is approved by the Financial Risk Committee. At least once a year, the structure and amount of limits are revised in accordance with the Group's needs and developments on the financial markets. The results of the VaR calculation are published daily for selected users (Board of Directors, selected employees of the Financial Markets Department, the Market Risk Department, the Assets & Liabilities Management Unit, and the selected employees of the UniCredit group).

The VaR calculation divides the calculated risk into interest rate and credit portions. The credit portion of VaR is calculated based on the volatility of the credit spread between securities and the risk free interest rate. For this purpose, the yield curves of particular issuers, industries, or groups of issuers with identical rating are downloaded into the system for market risk management. Specific securities are mapped to these yield curves and the volatility of the credit spread is calculated. The Group regularly reassesses the mapping of debt securities with the relevant yield curves and, if necessary, the debt securities are re-mapped to curves that reliably reflect the credit risk of the specific debt securities

The outputs of the VaR calculation model are back-tested and compared with the results of the changes to interest rates on the financial markets on a daily basis. If the Group identifies any inaccuracies, the model is adjusted to correspond with the current development on the financial markets.

The table below shows the Values at Risk:

	At 31 Dec 2024	Average for 2024	At 31 Dec 2023	Average for 2023
VaR of Financial assets at fair value through profit or loss Held for trading	19,48	16,80	13,79	12,74
VaR of Financial assets at fair value through other comprehensive income	119,69	161,07	177,67	240,60

#### Value at Risk

In 2024, the Czech economy experienced a moderate recovery. Gross domestic product (GDP) grew by 1.1%, driven mainly by renewed household consumption. Inflation stabilized at around 2%, which contributed to the growth of real wages.

In the area of financial assets measured at fair value through profit or loss held for trading, the position of UniCredit Bank Czech Republic and Slovakia, a.s. remained stable in 2024, without significant fluctuations.

In line with the bank's strategy, the position in government bonds among financial assets measured at fair value through other comprehensive income was further increased in 2024. This step was supported by the stabilization of inflation and moderate economic growth, which created favorable conditions for investments in government bonds.

Overall, the bank's exposure to market risks was carefully managed in 2024, which led to the Value at Risk (VaR) being maintained at a stable level.

#### Interest Rate Risk

The Group is exposed to interest rate risk because of mismatch in interest-bearing assets and liabilities maturities, re-pricing periods and notionals in defined time buckets (gap or mismatch risk). In the event of a change in interest rates, the Group is also exposed to interest rate risk as a result of the different mechanism or timing of adjustments to particular types of interest rates (such as PRIBOR), declared interest rates on deposits (basis risk and yield curve risk). Interest risk management is focused on optimising the Group's net interest income in accordance with the strategies approved by the Board of Directors.

The overall interest rate position of the Group is measured primarily by calculating the sensitivity of the change in the fair value of the portfolio to a shift in interest rates by one basis point (BP01). Interest rate sensitivity is measured with a breakdown by time period and individually by currency. Different interest rate risks related to individual currencies are offset within individual time buckets and aggregate short and long positions. The main positions are represented by CZK and EUR.

The utilization of the base point value (BP01) remained generally stable during the period considered.

Interest rate derivatives are generally used to manage the mismatch between the interest sensitivity of assets and liabilities. These transactions are carried out in accordance with the internal Liquidity Management Policy and the internal Funds Transfer Pricing Policy and by the Strategy of Interest Rate Risk Management in the Banking Book approved by the Board of Directors. Part of the Group's income is generated by the intentional mismatch between the assets and liabilities that are interest rate-sensitive.

The Group applies a "Basis Point Value (BPV)" approach for measuring interest sensitivity of assets and liabilities. BPV represents the change in the present value of cash flows derived from individual instruments if interest rates increase by one basis point (0.01%), ie it represents the sensitivity of instruments to interest rate risks.

The Group has set up interest rate risk limits to restrict oscillation of net interest income resulting from changes of interest rates by 0.01% (the "BPV limit").

#### Stress Testing of Interest Rate Risk

The Group carries out monthly following stress scenarios:

- Group calculates simulated impact to Economic Value of Equity ("EVE") under stress scenarios of significant movements in financial markets, internally defined low probability scenarios and UniCredit Group macro scenarios.
- Group calculates the impact to Net Interest Income ("NII") under stress scenarios of significant movements in financial markets.

Both stress tests are on a monthly basis compared to set of Risk Appetite Framework ("RAF") Triggers.

#### EVE stress test

EVE, ie the economic value of equity, is calculated as the present value of all cash flows of assets decreased by the present value of all cash flows of liabilities. In other words, it is the net present value ("NPV") of all the Group's future cash flows.

The stress test aims to express the increase / decrease of this net NPV depending on the shock change of market factors and to compare the decrease of NPV with the set limits (internal and regulatory).

Supervisory outlier test ("SOT"): Parallel Up, Parallel Down, Flattening, Steepening, Short Rates Up or Down.

The following table shows the impact of the stress scenarios on the Group's EVE results. The Group uses the euro as the base currency for stress testing results.

	Parallel up	Parallel down	Flattening	Steepening	Rates up	Rates down
<b>SOT test (% impact on Tier 1) 2024</b>						
Maximal impact of the stress test	-5,44%	4,48%	-4,01%	4,65%	-5,18%	2,71%
Minimal impact of the stress test	-8,72%	2,78%	-6,62%	3,27%	-8,03%	2,14%
Average impact of the stress test	-6,85%	3,66%	-5,37%	3,71%	-6,66%	2,41%
RAF Trigger (31.12.2024)	-15,00%	-15,00%	-15,00%	-15,00%	-15,00%	-15,00%
<b>SOT test (% impact on Tier 1) 2023</b>						
Maximal impact of the stress test	-8,00%	5,96%	-5,78%	3,92%	-7,40%	2,89%
Minimal impact of the stress test	-10,94%	2,69%	-6,71%	3,04%	-8,33%	2,12%
Average impact of the stress test	-9,24%	3,86%	-6,25%	3,45%	-8,01%	2,42%
RAF Trigger (31.12.2023)	-13,70%	-13,70%	-13,70%	-13,70%	-13,70%	-13,70%

### **NII stress test**

The two main stress scenarios correspond to a parallel shift in the yield curve SOT\_NII\_Parallel\_up and SOT\_NII\_Parallel\_down by  $\pm 200$  basis points.

The following table shows the impact of these two main scenarios on the bank NII as a percentage portion against the Tier 1.

	RAF Parallel Up	RAF Parallel Down
<b>Net interest income (% impact on NII budget) 2024</b>		
Maximal impact of the stress test	0,87%	-0,23%
Minimal impact of the stress test	-2,18%	-1,51%
Average impact of the stress test	-0,87%	-0,68%
RAF Trigger	-13,00%	-13,00%
<b>Net interest income (% impact on NII budget) 2023</b>		
Maximal impact of the stress test	3,75%	0,70%
Minimal impact of the stress test	-0,70%	-3,77%
Average impact of the stress test	1,94%	-1,96%
RAF Trigger	-13,00%	-13,00%

### **Hedge Accounting**

As part of its market risk management strategy, the Group hedges against interest rate risk. The Group's hedge strategy uses both fair value hedges and cash flow hedges.

Fair value hedges are used for reducing the price interest rate risk of issued bonds, purchased securities, loans or deposits. Cash flow hedges are used to eliminate uncertainty in future cash flows in order to stabilise Net interest income; in other words to manage reinvestment risk.

#### *Fair Value Hedging*

Hedged instruments include separately financial assets and liabilities recognised at amortised cost and debt financial assets at fair value through other comprehensive income. Hedging instruments are derivatives (most commonly interest rate swaps and cross currency swaps).

At the inception of the hedge relationship, the Group performs a prospective fair value hedge effectiveness test on the basis of future changes in fair values of hedged and hedging instruments and of expected interest rates movements (the "prospective test"). On the basis of actual interest rate developments, a test of effectiveness is carried out monthly. The Group undertakes monthly effectiveness testing to be able to detect possible non-effectiveness of the hedge relationships.

For particular hedged items and hedging transactions (loans, deposits, securities, interest rate swaps, etc), specific dates and amounts of cash flows are determined from the inception of a hedge relationship until the maturity of the hedged instrument. The present values of particular

cash flows for the relevant date (date of effectiveness measurement) are determined on the basis of the discount factors for specific currencies. The fair value of a transaction is the sum of discounted cash flows from the relevant trade at the given time. The cumulative change of the fair value is determined by comparing the fair value in the given time with the initial valuation. These cumulative changes are further netted for realised cash flows by adding them back or subtracting. The hedge effectiveness is measured using the comparison of the cumulative change in the fair value of the hedged and hedging instrument. The hedge is considered effective if the proportion of cumulative fair value changes of hedged and hedging instruments is between 80% and 125%.

In the table below, the Group sets out the accumulated fair value adjustments arising from the corresponding continuing hedge relationships, irrespective of whether or not there has been a change in hedge designation during the year.

	Carrying amount of hedged items (excluding the accumulated fair value hedge adjustment)		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
<b>31 Dec 2024</b>				
<b>Fair Value Hedge</b>				
<b>Micro fair value hedges</b>				
Interest rate risk – see “A” below	95 443	51 056	307	670
<b>Portfolio fair value hedges</b>				
Interest rate risk – see “B” below	252 911	143 001	1 879	(4 632)
<b>31 Dec 2023</b>				
<b>Fair Value Hedge</b>				
<b>Micro fair value hedges</b>				
Interest rate risk – see “A” below	80 013	44 635	591	416
<b>Portfolio fair value hedges</b>				
Interest rate risk – see “B” below	168 448	131 483	1 122	(6 540)

The corresponding Consolidated Statement of Financial Position line items, where the hedged item and the cumulative fair value changes are recorded, include:

“A” represents hedging of

- Loans presented in the line “Financial assets at amortised cost, of which: Loans and advances to customers”;
- Purchased bonds presented in the line “Financial assets at fair value through other comprehensive income”;
- Money-markets trades presented in the line “Financial liabilities at amortised cost, of which: Deposits from banks” and
- Issued bonds presented in the line “Financial liabilities at amortised cost, of which: Debt securities issued”.

“B” represents hedging of

- Loans presented in the line “Financial assets at amortised cost, of which: Loans and advances to customers” and
- Current accounts presented in the line “Financial liabilities at amortised cost, of which: Deposits from customers”.

Hedging instruments are represented by hedging derivatives presented in the item “Positive fair value of hedging derivatives” or “Negative fair value of hedging derivatives”.

The table below sets out the outcome of the Group's hedging strategy, in particular, to changes in the fair value of the hedged items and hedging instruments in the current year and the comparative year, used as the basis for recognising ineffectiveness:

	Gains/(losses) attributable to the hedged risk		Hedge ineffectiveness
	Hedged items	Hedging instruments	
<b>31 Dec 2024</b>			
<b>Fair Value Hedge</b>			
<i>Micro fair value hedges</i>			
Interest rate risk	(665)	666	1
<i>Portfolio fair value hedges</i>			
Interest rate risk	(1 176)	1 175	(1)
<b>31 Dec 2023</b>			
<b>Fair Value Hedge</b>			
<i>Micro fair value hedges</i>			
Interest rate risk	3 333	(3 332)	1
<i>Portfolio fair value hedges</i>			
Interest rate risk	(1 869)	1 870	1

#### Cash Flow Hedging

In compliance with IAS 39, Cash Flow Hedging is used to hedge an uncertain (variable) future cash flow (interest payments) which may affect the future P/L in a negative manner. To this end, the interest flows of hedged instruments and related derivatives designated as hedging instruments are projected for the future (forecast transactions). Hedging shall apply to the risk of variability of interest flows arising from the determined assets, liabilities, planned or forecast transactions (or portions thereof), depending on the change of interest rates. Hedging shall be considered to be effective if the basic assumption that the net cash flow related to the hedging instrument in each time bucket is lower than, or equal to, the cash flow from the hedged instruments is met. Projected Cash flow from Derivative Gap is compared to the Projected Cash flow of hedged balance sheet item – there has to be an excess of hedged (so called Cashflow test).

In addition to meeting this test, the following prospective and retrospective tests must be performed to demonstrate effectiveness:

#### Prospective test:

- Cashflow test
- Fair value test – Sensitivity to future interest rates movements is calculated for both hedged and hedging instrument and compared to prove the hedge relationship to be effective, i.e. total delta is in the range 80–125%.

#### Retrospective test:

- Historical changes in Fair Value of both hedged and hedging instrument are compared to prove the hedge relationship to be effective, i.e. in the range mentioned above, and
- Historical monthly changes in Fair Value of both hedged and hedging instrument are compared to prove the hedge relationship to be effective.

The table below sets out the Group's financial assets and financial liabilities designated as hedged items in continuing cash flow hedge relationships and the outcome of the Group's hedging strategy:

	Cash flow hedge reserve		Net changes in fair value of hedging instruments used for measuring hedge ineffectiveness		
	Continuing hedges	Discontinued hedges	in total	Effective portion	Hedge ineffectiveness
				recognised in OCI	recognised in the income statement in net trading income
<b>31 Dec 2024</b>					
<b>Cash Flow Hedge</b>					
<i>Portfolio cash flow hedges</i>					
Interest rate risk – see “A” below	(4 683)	12	1 170	1 170	–
<b>31 Dec 2023</b>					
<b>Cash Flow Hedge</b>					
<i>Portfolio cash flow hedges</i>					
Interest rate risk – see “A” below	(5 859)	17	4 072	4 072	–

The corresponding Consolidated Statement of Financial Position line items, where the hedged item and the cumulative fair value changes are recorded, include:

“A” comprises hedging of:

- Loans presented in the line “Financial assets at amortised cost, of which: Loans and advances to customers” and line “Financial assets at amortised cost, of which: Loans and advances to banks”,
- Purchased float bonds presented in the line “Financial assets at fair value through other comprehensive income”,
- Deposits presented in the line “Financial liabilities at amortised cost, of which: Deposits from customers” and line “Financial liabilities at amortised cost, of which: Deposits from banks” and
- Issued bonds presented in the line “Financial liabilities at amortised cost, of which: Debt securities issued”.

Hedging instruments are represented by hedging derivatives presented in the item “Positive fair value of hedging derivatives” or “Negative fair value of hedging derivatives”.

The maturity profile of hedging instruments is included in section V. Other Notes, point 33. Contingent liabilities, contingent assets and financial derivatives.

The following table provides a reconciliation by risk category of components of equity and analysis of the other comprehensive income statement items from hedge accounting:

	2024	2023
<b>Cash Flow Hedging Reserve</b>		
<i>Interest rate risk</i>		
As at 1 January	(4 615)	(8 005)
Change in fair value	2 590	5 715
Revaluation reclassified to profit or loss	(1 420)	(1 643)
Deferred tax	(157)	(682)
<b>Total at 31 December</b>	<b>(3 602)</b>	<b>(4 615)</b>



### Currency Risk

Assets and liabilities denominated in foreign currencies, including off-balance sheet exposures, comprise the Group's exposure to currency risks. Both realised and unrealised foreign exchange gains and losses are reported directly in the income statement.

The Group has established a system of currency risk limits based on its net currency exposure in individual currencies.

The following table shows the structure of assets and liabilities by currency (not including potential impact of off-balance sheet exposures):

	CZK	EUR	USD	CHF	Other	Total
<b>At 31 Dec 2024</b>						
Cash and cash balances	4 560	4 676	512	56	309	10 113
Financial assets at fair value through profit or loss, <i>of which:</i>	25 426	1	103	–	–	25 530
held for trading	25 426	1	–	–	–	25 427
mandatorily at fair value	–	–	103	–	–	103
Financial assets at fair value through other comprehensive income	44 812	10 557	–	–	–	55 369
Financial assets at amortised cost	460 604	397 677	1 097	143	482	860 003
<i>of which:</i>						
Loans and advances to banks	187 280	43 373	12	–	–	230 665
Loans and advances to customers	273 324	354 304	1 085	143	482	629 338
Positive fair value of hedging derivatives	10 836	–	–	–	–	10 836
Changes in fair value of the portfolio of hedged instruments	976	903	–	–	–	1 879
Equity-accounted investees	341	–	–	–	–	341
Other assets	1 998	1 254	13	1	4	3 270
<b>Total exposure – assets</b>	<b>549 553</b>	<b>415 068</b>	<b>1 725</b>	<b>200</b>	<b>795</b>	<b>967 341</b>
Financial liabilities at fair value through profit or loss, <i>of which:</i>	23 840	–	–	–	–	23 840
held for trading	23 840	–	–	–	–	23 840
Financial liabilities at amortised cost	471 314	349 928	17 284	818	3 746	843 090
<i>of which:</i>						
Deposits from banks	6 110	20 710	24	–	3	26 847
Deposits from customers	457 323	223 331	17 260	818	3 743	702 475
Debt securities issued	7 881	105 887	–	–	–	113 768
Negative fair value of hedging derivatives	23 719	(24)	–	–	–	23 695
Changes in fair value of the portfolio of hedged instruments	(4 350)	(282)	–	–	–	(4 632)
Other liabilities	3 738	3 880	409	34	90	8 151
Provisions for risks and charges	636	485	35	10	7	1 173
<b>Total exposure – liabilities</b>	<b>518 897</b>	<b>353 987</b>	<b>17 728</b>	<b>862</b>	<b>3 843</b>	<b>895 317</b>
Gap	30 656	61 081	(16 003)	(662)	(3 048)	72 024

	CZK	EUR	USD	CHF	Other	Total
<b>At 31 Dec 2023</b>						
Cash and cash balances	4 028	4 066	460	26	238	8 818
Financial assets at fair value through profit or loss, <i>of which:</i>	33 982	3	171	–	–	34 156
held for trading	33 982	3	–	–	–	33 985
mandatorily at fair value	–	–	171	–	–	171
Financial assets at fair value through other comprehensive income	41 025	10 928	–	–	–	51 953
Financial assets at amortised cost	386 970	368 684	3 372	181	443	759 650
<i>of which:</i>						
Loans and advances to banks	133 650	22 642	2 256	–	–	158 548
Loans and advances to customers	253 320	346 042	1 116	181	443	601 102
Positive fair value of hedging derivatives	14 312	–	–	–	–	14 312
Changes in fair value of the portfolio of hedged instruments	610	512	–	–	–	1 122
Equity-accounted investees	349	–	–	–	–	349
Other assets	893	716	13	–	6	1 628
<b>Total exposure – assets</b>	<b>482 169</b>	<b>384 909</b>	<b>4 016</b>	<b>207</b>	<b>687</b>	<b>871 988</b>
Financial liabilities at fair value through profit or loss, <i>of which:</i>	33 372	1	–	–	–	33 373
held for trading	33 372	1	–	–	–	33 373
Financial liabilities at amortised cost	443 646	270 101	11 492	939	3 093	729 271
<i>of which:</i>						
Deposits from banks	6 304	27 052	4	–	1	33 361
Deposits from customers	429 481	172 386	11 488	939	3 092	617 386
Debt securities issued	7 861	70 663	–	–	–	78 524
Negative fair value of hedging derivatives	29 959	(72)	–	–	–	29 887
Changes in fair value of the portfolio of hedged instruments	(5 759)	(781)	–	–	–	(6 540)
Other liabilities	3 169	5 471	395	5	65	9 105
Provisions for risks and charges	726	600	71	11	10	1 418
<b>Total exposure – liabilities</b>	<b>505 113</b>	<b>275 320</b>	<b>11 958</b>	<b>955</b>	<b>3 168</b>	<b>796 514</b>
Gap	(22 944)	109 589	(7 942)	(748)	(2 481)	75 474

The table below shows the marginal Values at Risk for currency risk representing contribution of currency risk to total VaR of Financial assets at fair value through profit or loss Held for trading and all currency risk as all open FX positions are closed within Financial assets at fair value through profit or loss Held for trading:

	At 31 Dec 2024	Average for 2024	At 31 Dec 2023	Average for 2023
VaR of Financial assets at fair value through profit or loss Held for trading	17.25	15.34	10,67	7,17

### **Equity Risk**

Equity risk is the risk of movement in the prices of equity instruments held in the Group's portfolio and of financial derivatives derived from these instruments. The main source of this risk is trading in equity instruments, although equity risk also arises as a result of the Group's non-trading activities. The risks associated with equity instruments are managed using trading limits. The methods used to manage these risks are described above.

### **Liquidity Risk**

Liquidity risk arises due to the way the Group's finances its activities and manages its positions. It includes the risk the Group would be unable to finance its assets using instruments with appropriate maturity and the risk that the Group would be unable to dispose of its assets for an appropriate price within the necessary time period.

The Group has access to diversified sources of funds, which comprise deposits and other savings, securities issued, loans taken (including subordinated loans) and its own equity capital. This diversification makes the Group flexible and limits its dependency on a single funding source. The Group regularly evaluates the liquidity risk, in particular by monitoring changes in the structure of funding and comparing these changes with the Group's liquidity risk management strategy, which is approved by the Board of Directors. As part of its liquidity risk management strategy, the Group holds a proportion of its assets in highly liquid funds, such as state treasury bills and similar bonds.

Liquidity risk is evaluated regularly by the Group by analysing of differences between the residual maturity of assets and liabilities across time buckets. Two approaches are used: short-term and long-term (structural). In the short-term approach, the Group daily monitors and in detail the difference between liquidity inflows and outflows. Limits are set for cumulative inflows and outflows with an outlook of several weeks. If limits are breached, the Group takes action to reduce the liquidity risk. In the long-term (structural) perspective, the Group monitors the difference between the maturity of assets and liabilities for periods longer than one year. The Group sets limits and appropriate action is taken if they are breached (eg by acquiring long-term sources of refinancing).

The Group has a contingency plan in the event of a liquidity crisis. This plan defines the roles, responsibilities and process of crisis management. It also defines the possible measures which should be considered in the event of an emergency situation.

Stress tests of short-term liquidity are performed by the Group on monthly or weekly basis respectively (based on the development of liquidity indicators or in the case of "liquidity attention phase" activation). The stress tests verify the Group's ability to overcome extreme situations, such as systemic interruption of the inter-bank money market, a decrease in the Group's credit rating, IT system breakdowns, and reputation risk to the Group. The stress scenarios' results are presented to the Financial Risk Committee.

The following table shows undiscounted cash flows of financial assets and financial liabilities, issued guarantees and provided loan facilities:

	Carrying amount	Net cash flow	Up to 3 months	3 months – 1 year	1–5 year	Over 5 years	Unspecified.
<b>At 31 Dec 2024</b>							
Cash and cash balances	10 113	10 113	10 106	–	–	3	4
Financial assets at fair value through profit or loss, <i>of which:</i>	25 530	53 260	4 014	9 080	27 835	12 331	–
held for trading debt and equity instruments	24	30	–	1	14	15	–
held for trading derivatives	25 403	53 127	4 014	9 079	27 821	12 213	–
mandatorily at fair value	103	103	–	–	–	103	–
Financial assets at fair value through other comprehensive income	55 369	66 292	545	3 223	29 631	32 893	–
Financial assets at amortised cost <i>of which:</i>	860 003	973 435	275 069	92 376	304 386	298 400	3 204
loans and advances to banks	230 665	234 596	224 372	10 223	–	–	1
loans and advances to customers	629 338	738 839	50 697	82 153	304 386	298 400	3 203
Positive fair value of hedging derivatives	10 836	25 507	1 259	3 429	16 045	4 774	–
Changes in fair value of the portfolio of hedged instruments	1 879	1 879	–	–	–	1 879	–
Equity-accounted investees	341	341	–	–	–	341	–
Other assets	3 270	3 270	2 955	315	–	–	–
<b>Total exposure – assets</b>	<b>967 341</b>	<b>1 134 097</b>	<b>293 948</b>	<b>108 423</b>	<b>377 897</b>	<b>350 621</b>	<b>3 208</b>
Financial liabilities at fair value through profit or loss, <i>of which:</i>	23 840	23 846	11 266	10 229	600	1 751	–
held for trading derivatives	23 840	23 846	11 266	10 229	600	1 751	–
Financial liabilities at amortised cost, <i>of which:</i>	843 090	867 108	692 631	41 105	118 730	14 642	–
deposits from banks	26 847	26 863	11 702	10 978	2 416	1 767	–
deposits from customers	702 475	704 973	679 810	21 805	1 404	1 954	–
<i>of which:</i>							
Lease liabilities	2 111	2 243	92	271	1 131	749	–
Other than lease liabilities	700 364	701 536	679 718	21 534	273	11	–
Debt securities issued	113 768	135 272	1 119	8 322	114 910	10 921	–
Negative fair value of hedging derivatives	23 695	91 801	4 184	12 094	51 672	23 851	–
Changes in fair value of the portfolio of hedged instruments	(4 632)	(4 632)	(4 632)	–	–	–	–
Other liabilities	8 151	8 151	6 368	1 783	–	–	–
Provisions for risks and charges	1 173	1 173	379	120	177	461	36
<b>Total exposure – liabilities</b>	<b>895 317</b>	<b>987 447</b>	<b>710 196</b>	<b>65 331</b>	<b>171 179</b>	<b>40 705</b>	<b>36</b>
Gap	72 024	146 650	(416 248)	43 092	206 718	309 916	3 172
Undrawn loan facilities	47 843	47 843	47 843	–	–	–	–
Bank guarantees	188 397	188 397	188 397	–	–	–	–

Please note that the Net cash flow from Undrawn loan facilities and Bank guarantees are presented in the time bucket “Up to 3 months” as the worst-case scenario.

	Carrying amount	Net cash flow	Up to 3 months	3 months – 1 year	1–5 year	Over 5 years	Unspecified.
<b>At 31 Dec 2023</b>							
Cash and cash balances	8 818	8 818	8 755	–	–	60	3
Financial assets at fair value through profit or loss, of which:	34 156	98 093	5 505	15 187	50 649	26 752	–
held for trading debt and equity instruments	3	3	–	–	–	3	–
held for trading derivatives	33 982	97 919	5 505	15 187	50 649	26 578	–
mandatorily at fair value	171	171	–	–	–	171	–
Financial assets at fair value through other comprehensive income	51 953	62 717	495	3 382	24 635	34 205	–
Financial assets at amortised cost, of which:	759 650	814 402	196 472	76 747	270 196	267 250	3 737
loans and advances to banks	158 548	158 770	155 027	3 732	11	–	–
loans and advances to customers	601 102	655 632	41 445	73 015	270 185	267 250	3 737
Positive fair value of hedging derivatives	14 312	73 551	4 036	11 166	44 697	13 652	–
Changes in fair value of the portfolio of hedged instruments	1 122	1 122	–	–	–	1 122	–
Equity-accounted investees	349	349	–	–	–	349	–
Other assets	1 628	1 628	1 357	271	–	–	–
<b>Total exposure – assets</b>	<b>871 988</b>	<b>1 060 680</b>	<b>216 620</b>	<b>106 753</b>	<b>390 177</b>	<b>343 390</b>	<b>3 740</b>
Financial liabilities at fair value through profit or loss, of which:	33 373	96 310	5 852	14 827	50 445	25 186	–
held for trading derivatives	33 373	96 310	5 852	14 827	50 445	25 186	–
Financial liabilities at amortised cost, of which:	729 271	744 833	620 496	30 050	80 824	13 340	123
deposits from banks	33 361	33 513	23 823	5 935	2 874	758	123
deposits from customers	617 386	619 109	595 819	20 861	1 516	913	–
of which:							
Lease liabilities	2 123	2 389	82	276	1 122	909	–
Other than lease liabilities	615 263	616 720	595 737	20 585	394	4	–
Debt securities issued	78 524	92 211	854	3 254	76 434	11 669	–
Negative fair value of hedging derivatives	29 887	91 623	4 184	12 094	51 494	23 851	–
Changes in fair value of the portfolio of hedged instruments	(6 540)	(6 540)	(6 540)	–	–	–	–
Other liabilities	9 105	9 105	7 288	1 817	–	–	–
Provisions for risks and charges	1 418	1 418	239	132	330	620	97
<b>Total exposure – liabilities</b>	<b>796 514</b>	<b>936 749</b>	<b>631 519</b>	<b>58 920</b>	<b>183 093</b>	<b>62 997</b>	<b>220</b>
Gap	75 474	123 931	(414 899)	47 833	207 084	280 393	3 520
Undrawn loan facilities	49 947	49 947	49 947	–	–	–	–
Bank guarantees	173 231	173 231	173 231	–	–	–	–

#### (d) Operational Risk

Operational risk is the risk of loss due to deficiencies or failures of internal processes, people and systems or external events. This definition includes legal risk, however, it does not include strategic or reputation risk. Legal risk includes, inter alia, the risk of fines, sanctions or punitive damages resulting from supervision measures and private settlement.

The Bank's organisational structure and its internal rules fully respect the segregation of incompatible duties to prevent conflict of interests. Internal rules unambiguously define the obligations and competencies of employees, including management, and regulate the working processes and control activities. Non-Financial Risks and Control Committee is the main control and decision body regarding operational risk.

All members of the Board of Directors are permanent members of the committee. The Non Financial Risks Department is an independent body reporting directly to a member of the Board of Directors in charge of risk management. The Operational Risk Department is authorised to secure unified and coordinated operational risk management in accordance with the applicable regulations and the standards of the parent company.

Operational risk management and monitoring is performed by authorised employees of individual departments. The Internal Audit Department identifies extraordinary trends and breach of or non-compliance with directives and assesses the control and management system's functionality.

The Group has continued developing and setting up its comprehensive system for the identification, monitoring and management of operational risk. In line with the 2023 Operational Risk Management Strategy, the Group defined its priorities with respect to mitigating operational risk exposure that are consistent with the risk profile and risk appetite of the Group and the Bank. The operational risk appetite is the operational risk level acceptable to the Bank and is measured using ELOR (Expected Loss on Revenue), which is the proportion of anticipated losses arising from operational risk (estimate based on historical data) to income (budgeted income on a quarterly basis). Setting the ELOR limit and its monitoring was performed in line with the Group's policies.

To ensure effective collection of operational risk events and data, the Bank uses an on-line information system developed by UniCredit Group. The system complies with the requirements for capital adequacy management. The data acquired through the system is taken into account when calculating the capital requirement and when managing operational risk. It serves as the basis for designing processes that reduce the number of particular events and mitigate the consequences (eg when preparing process mitigation measures or the Group's strategic insurance plan). The data is also used for reviewing the reliability of proposed measures for operational risk mitigation. The data is collected on a continuous basis in cooperation with individual departments of the Bank (all significant events are reported and resolved immediately). Based on the collected data, a quarterly consolidated report is prepared, which is presented to the Operational Risk Management Committee and distributed within the Bank. The Board of Directors, the Internal Audit Department and the parent company are informed about the most significant cases of operational risk on a weekly basis, or immediately if necessary. The data is regularly reconciled with the accounting records and other sources in order to ensure data completeness and accuracy.

In 2024, the Group analysed the scenarios, and configured and analysed the risk indicators. Another important element of the operational risk management system is managing the continuity of operations (emergency planning, crisis management). The Bank

has updated and tested the recovery plans (for crisis situations) in order to ensure their full usefulness and effectiveness under current conditions. In addition, the Non Financial Risks Department enhances overall awareness of operational risk within the Group and trains the Group's staff via training sessions and e-learning courses.

Based on the consent obtained from the regulatory body, the Group calculates the capital requirement for operational risk under the advanced measurement approach (AMA). Under this approach, the UniCredit Group model based on internal and external data, the results of scenario analyses and risk indicator data is used.

### **(e) Capital Management**

Management of the Group monitors the development of the Group's capital adequacy on a consolidated basis and its capital position. The regulator of the banking market, the Czech National Bank, established rules for the calculation of capital requirements and monitors their development. Since 1 January 2014, the Group has met the requirements of Basel III (Regulation (EU) No. 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms) that was implemented by the Czech National Bank through Decree No. 163/2004 Coll. on the performance of the activity of banks, credit unions and investment firms. The Basel III rules were established in response to the financial crisis and introduce requirements for increased capital quality, requirement for an increased coverage of risks, the minimum standard for liquidity management, rules for the leverage ratio and improve risk management and corporate governance.

The Group's regulatory capital consists of the following:

- Common Equity Tier 1 (CET 1) capital which comprises registered capital, share premium, reserve funds, retained earnings, accumulated other comprehensive income from revaluation of available-for-sale securities, post-tax profit for the period if audited at the time of reporting; minus intangible assets and gaps in the coverage of anticipated losses through adjustments for credit risk using the internal rating based approach;
- Tier 1 (T1) capital creating CET1; and
- Tier 2 (T2) capital which is the excess in the coverage of anticipated credit losses when using the internal rating based approach.

The Group complies with the defined minimum requirements of Basel III rules for capital adequacy, including capital buffers.

In 2021, the Group has received from the Czech National Bank the decision on intermediate and "fully loaded" target amounts of the Minimum Requirement for Own Funds and Eligible Liabilities (MREL), implemented through Act No. 374/2015 Coll.

- The levels of MREL are expressed based on risk-weighted assets and the leverage ratio (higher levels calculated using the two approaches will represent a limiting factor).



The Group successfully issued its first MREL instruments in 2021 to be compliant with an intermediate target from 1 January 2022 as set by the Czech National Bank. MREL will become a “fully loaded” requirement as of 1 January 2024. Further details are provided in section V. Other Notes, point 24.

Statement of capital for the Group’s capital adequacy calculation on a consolidated basis as reported to the regulator in accordance with applicable rules as of 31 December 2024 and as of 31 December 2023 is stated in the Annual Report, part “Consolidated financial highlights”.

### 36. Related party transactions

Entities are deemed to be related parties in the event that one entity is able to control the activities of another or is able to exercise

significant influence over the other entity’s financial or operational policies. As part of its ordinary business, the Group enters into transactions with related parties. These transactions principally comprise loans, deposits and other types of transactions and are concluded under arm’s length conditions and at arm’s length prices in order to prevent any detriment to any party.

Related parties principally include the Bank’s parent company, Bank’s fellow subsidiaries and other companies controlled by UniCredit Group or where UniCredit Group exercises significant influence the, the Bank’s subsidiaries and affiliates, members of the Board of Directors and other members of the Bank’s management.

#### (a) Transactions with the parent company

	31.12.2024	31.12.2023
Assets		
Cash and cash balances	1 514	1 132
Loans and advances to banks	26 049	13 968
Financial assets held for trading	16 844	18 891
Positive fair value of hedging derivatives	10 245	5 672
<b>Total</b>	<b>54 562</b>	<b>39 663</b>

	31.12.2024	31.12.2023
Liabilities		
Deposits from banks	17 884	4 423
Debt instruments	46 497	27 045
Financial liabilities held for trading	15 702	18 307
Negative fair value of hedging derivatives	22 556	15 683
<b>Total</b>	<b>102 639</b>	<b>65 458</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Issued guarantees	181	1 184
Irrevocable credit facilities	1 490	1 245
<b>Total</b>	<b>1 671</b>	<b>2 429</b>

	2024	2023
Interest income	817	618
Interest expense	(4 940)	(4 230)
Fee and commission income	1	19
Fee and commission expenses	(46)	(30)
Net profit/loss from financial assets and liabilities held for trading	1 727	249
Net profit/loss from hedging of the risk of change in fair values	549	(138)
Administrative expenses	(1 040)	(1 017)
<b>Total</b>	<b>(2 932)</b>	<b>(4 529)</b>

**(b) Transactions with key management members**

	31.12.2024	31.12.2023
Assets		
Loans and advances to customers	157	153
<i>of which:</i>		
Board of Directors	38	30
Other management members	119	123
<b>Total</b>	<b>157</b>	<b>153</b>

	31.12.2024	31.12.2023
Payables to customers	147	161
<i>of which:</i>		
Board of Directors	13	42
Other management members	134	119
<b>Total</b>	<b>147</b>	<b>161</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Irrevocable credit facilities	16	2
<i>of which:</i>		
Board of Directors	8	1
Other management members	8	1
<b>Total</b>	<b>16</b>	<b>2</b>

**(c) Transactions with other related parties**

	31.12.2024	31.12.2023
Assets		
Cash and cash balances	854	389
<i>of which:</i>		
UniCredit Bank Austria AG	104	245
UniCredit Bank GmbH	728	20
AO UniCredit Bank	3	86
Financial assets held for trading	1 488	6 410
<i>of which:</i>		
UniCredit Bank GmbH	1 487	6 410
Loans and advances to banks	586	2 591
<i>of which:</i>		
UniCredit Bank Austria AG	576	2 578
AO UniCredit Bank	10	13
Loans and advances to customers	1 235	1 105
<i>of which:</i>		
RCI Financial Services, s.r.o.	1 235	1 105
Positive fair value of hedging derivatives	–	7 339
<i>of which:</i>		
UniCredit Bank GmbH	–	7 339
<b>Total</b>	<b>4 163</b>	<b>17 834</b>

	31.12.2024	31.12.2023
Liabilities		
Deposits from banks	2 035	2 668
<i>of which:</i>		
UniCredit Bank Austria AG	1 377	879
UniCredit Bank GmbH	572	1 762
UniCredit Bank Hungary Zrt.	13	6
Deposits from customers	25	40
Financial liabilities held for trading	1 874	5 074
<i>of which:</i>		
UniCredit Bank GmbH	1 874	5 074
Negative fair value of hedging derivatives	–	11 650
<i>of which:</i>		
UniCredit Bank GmbH	–	11 650
<b>Total</b>	<b>3 934</b>	<b>19 432</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Issued guarantees	819	2 903
<i>of which:</i>		
UniCredit Bank GmbH	145	2 240
UniCredit Bank Austria AG	251	161
UniCredit Bank Hungary Zrt.	112	7
AO UniCredit Bank	7	14
Irrevocable credit facilities	8 911	7 352
<i>of which:</i>		
UniCredit Bank GmbH	4 336	4 144
UniCredit Bank Austria AG	1 510	1 515
RCI Financial Services, s.r.o.	415	500
<b>Total</b>	<b>9 730</b>	<b>10 255</b>

	2024	2023
Interest income	1 008	3 316
<i>of which:</i>		
UniCredit Bank GmbH	557	2 620
UniCredit Bank Austria AG	6	10
RCI Financial Services, s.r.o.	73	68
Interest expense	(348)	(195)
<i>of which:</i>		
UniCredit Bank Austria AG	(54)	(66)
UniCredit Bank GmbH	(35)	(54)
Fee and commission income	158	68
<i>of which:</i>		
UniCredit Bank GmbH	9	7
UniCredit Bank Hungary Zrt.	3	1
UniCredit Bank Austria AG	145	59
Fee and commission expenses	(7)	(6)
<i>of which:</i>		
UniCredit Bank Austria AG	(4)	(4)
Net profit/loss from financial assets and liabilities held for trading	2 515	(2 643)
<i>of which:</i>		
UniCredit Bank GmbH	2 514	(2 943)
Net profit/loss from hedging against risk of changes in fair value	(127)	(72)
<i>of which:</i>		
UniCredit Bank GmbH	(136)	(72)
Administrative expenses	(34)	(15)
<i>of which:</i>		
UniCredit Bank Austria AG	(1)	2
<b>Total</b>	<b>3 165</b>	<b>453</b>

## 37. Fair value of financial assets and financial liabilities

Based on the Quality of the Input Data Used for Valuation at Fair Value

*Financial assets at fair value through profit or loss*

Held for trading

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Debt securities	24	–	–	24
Derivatives	–	24 873	530	25 403
<b>Total</b>	<b>24</b>	<b>24 873</b>	<b>530</b>	<b>25 427</b>
<b>31.12.2023</b>				
Debt securities	3	–	–	3
Derivatives	–	33 625	357	33 982
<b>Total</b>	<b>3</b>	<b>33 625</b>	<b>357</b>	<b>33 985</b>

### Mandatorily at fair value

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Shares and Other debt securities	–	–	103	103
<b>Total</b>				
<b>31.12.2023</b>				
Shares and Other debt securities	–	–	171	171
<b>Total</b>				

### Financial assets at fair value through other comprehensive income

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Debt securities	54 606	746	–	55 352
Shares	–	–	17	17
<b>Total</b>	<b>54 606</b>	<b>746</b>	<b>17</b>	<b>55 369</b>
<b>31.12.2023</b>				
Debt securities	49 697	2 232	4	51 933
Shares	–	–	20	20
<b>Total</b>	<b>49 697</b>	<b>2 232</b>	<b>24</b>	<b>51 953</b>

### Positive fair value of hedging derivatives

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Fair value hedging	–	5 006	–	5 006
Cash flow hedging	–	5 830	–	5 830
<b>Total</b>	<b>–</b>	<b>10 836</b>	<b>–</b>	<b>10 836</b>
<b>31.12.2023</b>				
Fair value hedging	–	5 345	–	5 345
Cash flow hedging	–	8 967	–	8 967
<b>Total</b>	<b>–</b>	<b>14 312</b>	<b>–</b>	<b>14 312</b>

### Financial liabilities held for trading

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Derivatives	–	23 291	549	23 840
<b>Total</b>	<b>–</b>	<b>23 291</b>	<b>549</b>	<b>23 840</b>
<b>31.12.2023</b>				
Derivatives	–	33 014	359	33 373
<b>Total</b>	<b>–</b>	<b>33 014</b>	<b>359</b>	<b>33 373</b>

### Negative fair value of hedging derivatives

	Level 1	Level 2	Level 3	Total
<b>31 Dec 2024</b>				
Fair value hedging	–	13 573	–	13 573
Cash flow hedging	–	10 122	–	10 122
<b>Total</b>	<b>–</b>	<b>23 695</b>	<b>–</b>	<b>23 695</b>
<b>31 Dec 2023</b>				
Fair value hedging	–	14 886	–	14 886
Cash flow hedging	–	15 000	1	15 001
<b>Total</b>	<b>–</b>	<b>29 886</b>	<b>1</b>	<b>29 887</b>

### Fair values of financial assets and liabilities that are not reported at fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities that are not reported at fair values in the Group's statement of financial position (the fair value is calculated using discounted future cash flows under the application of arm's length market rates to which credit mark-ups derived from internal rating categories of individual customers are added):

	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>31.12.2024</b>					
<b>Financial assets</b>					
Loans and advances to banks	230 665	234 085	–	194 565	39 520
Loans and advances to customers	629 338	602 522	36 224	224 609	341 689
<b>Financial liabilities</b>					
Deposits from banks	26 847	26 797	–	7 446	19 351
Deposits from customers	702 475	702 690	–	70 523	632 167
Debt securities issued	113 768	112 543	75 065	37 478	–
<b>31.12.2023</b>					
<b>Financial assets</b>					
Loans and advances to banks	158 548	161 218	–	155 997	5 221
Loans and advances to customers	601 102	566 576	30 627	219 051	316 898
<b>Financial liabilities</b>					
Deposits from banks	33 361	33 467	–	27 905	5 562
Deposits from customers	617 386	617 325	–	50 786	566 539
Debt securities issued	78 524	77 339	42 584	34 755	–

### Transfers between stages of financial assets and liabilities that are reported at fair values

For the year ended 31 December 2024 and 31 December 2023, no financial assets reported at fair value were transferred between Levels 1 and 2.

For the years ended 31 December 2024 and 31 December 2023, no financial liabilities reported at fair value were transferred between Levels 1 and 2.



The following tables show transfers of assets reported at fair value from and to Level 3.

	Financial assets at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Property measured at fair value	Total
	Held for trading	Other than held for trading mandatorily at fair value			
<b>Opening balance at 1.1.2023</b>	<b>153</b>	<b>135</b>	<b>264</b>	<b>868</b>	<b>1 420</b>
Revaluation gains and losses					
In the income statement	–	36	–	(8)	28
In other comprehensive income	–	–	(1)	(31)	(32)
Purchases	216	–	3	135	354
Sales/maturity	(17)	–	(242)	–	(259)
Transfers from/to other levels	15	–	–	–	15
Depreciation	–	–	–	(23)	(23)
Other	(10)	–	–	–	(10)
<b>Closing balance at 31.12.2023</b>	<b>357</b>	<b>171</b>	<b>24</b>	<b>941</b>	<b>1 493</b>
Total revaluation gains and losses included in the income statement for the period:					28
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>					28

	Financial assets at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Property measured at fair value	Total
	Held for trading	Other than held for trading mandatorily at fair value			
<b>Opening balance at 1.1.2024</b>	<b>357</b>	<b>171</b>	<b>24</b>	<b>941</b>	<b>1 493</b>
Revaluation gains and losses					
In the income statement	–	(78)	–	3	(75)
In other comprehensive income	–	–	2	27	29
Purchases	312	–	–	111	423
Sales/maturity	(35)	–	–	–	(35)
Transfers from/to other levels	(95)	–	–	–	(95)
Depreciation	–	–	–	(26)	(26)
Other	(9)	10	(9)	–	(8)
<b>Closing balance at 31.12.2024</b>	<b>530</b>	<b>103</b>	<b>17</b>	<b>1 056</b>	<b>1 706</b>
Total revaluation gains and losses included in the income statement for the period:					(75)
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>					(75)

The following table contains the transfers of financial liabilities at fair value to and from level 3.

	Financial liabilities at fair value through profit or loss held for trading	Hedging derivatives	Total
<b>Opening balance at 1 Jan 2023</b>	<b>157</b>	<b>–</b>	<b>157</b>
Revaluation gains and losses			
In the income statement	–	–	–
In other comprehensive income	–	–	–
Issue	216	–	216
Sales/maturity	(17)	–	(17)
Transfers from/to other levels	15	–	15
Other	(11)	1	(10)
<b>Closing balance at 31 Dec 2023</b>	<b>360</b>	<b>1</b>	<b>361</b>
Total revaluation gains and losses included in the income statement for the period:			–
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end.</i>			–

	Financial liabilities at fair value through profit or loss held for trading	Hedging derivatives	Total
<b>Opening balance at 1 Jan 2024</b>	<b>360</b>	<b>1</b>	<b>361</b>
Revaluation gains and losses			
In the income statement	–	–	–
In other comprehensive income	–	–	–
Issue	303	9	312
Sales/maturity	(13)	–	(13)
Transfers from/to other levels	(95)	(10)	(105)
Other	(5)	–	(5)
<b>Closing balance at 31 Dec 2024</b>	<b>550</b>	<b>–</b>	<b>550</b>
Total revaluation gains and losses included in the income statement for the period:			–
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>			–

### 38. Offsetting of financial assets and financial liabilities

The Group does not offset financial assets and financial liabilities.

The below table shows assets which are subject to netting agreements according to Credit risk management arrangements included in the Derivative Framework agreements such as ISDA or similar. The assets are subject to netting on settlement (performance netting) and on position closeout.

	Gross reported financial assets	Gross offset financial liabilities	Net reported financial assets	Potential amounts available for offset Financial instruments	Obtained cash collateral	Net amount
<b>31 Dec 2024</b>						
Derivatives	34 626	–	34 626	32 693	1 072	862
<b>31 Dec 2023</b>						
Derivatives	47 442	–	47 442	46 608	834	–

Financial liabilities that are subject to offset, recoverable framework contracts for offset and similar arrangements:

	Gross reported financial liabilities	Gross offset financial assets	Net reported financial liabilities	Potential amounts available for offset		Net amount
				Financial instruments	Provided cash collateral	
<b>31 Dec 2024</b>						
Derivatives	46 566	–	46 566	20 999	13 627	11 940
<b>31 Dec 2023</b>						
Derivatives	62 897	–	62 897	47 442	14 907	548

### 39. Subsequent Events

The Group's management is not aware of any post balance sheet events that would require adjustment to the Group's financial statements.

The financial statements were approved by the Board of Directors of the Bank and authorised for issue on 25 March 2025.

The financial statements were signed on behalf  
of the Board of Directors by:



Jakub Dušilek  
Chairman of the Board  
of Directors



Maria-Georgia Sălăgean  
Member of the Board  
of Directors

Individual in charge  
of the accounting records



Lea Branecká

Individual in charge  
of the financial statements



Alena Večerníková



# Separate financial statements

## Separate Statement of Comprehensive Income for the year ended 31 Dec 2024

	Note	2024 MCZK	2023 MCZK
Interest income, <i>of which</i> :		34 927	35 493
interest income calculated using the effective interest method		40 881	43 379
Interest expense		(20 524)	(21 298)
<b>Net interest income</b>	(1)	<b>14 403</b>	<b>14 195</b>
Fee and commission income		6 010	5 209
Fee and commission expenses		(2 109)	(1 912)
<b>Net fee and commission income</b>	(2)	<b>3 901</b>	<b>3 297</b>
Dividend income	(3)	705	707
Net income/(loss) from trading	(4)	2 797	2 694
Net income/(loss) from hedging against risk of changes in fair value	(5)	(1)	2
Net income/(loss) from the sale or repurchase of:	(6)	36	200
Financial assets at amortised cost		66	160
Financial assets at fair value through other comprehensive income		(35)	39
Financial liabilities		5	1
Net income/(loss) from financial assets/liabilities at fair value through profit or loss, <i>of which</i> :	(7)	38	102
Mandatorily at fair value		38	102
Other operating income	(10)	419	105
<b>Operating income</b>		<b>22 298</b>	<b>21 302</b>
Impairment losses on:	(8)	(840)	(278)
Financial assets at amortised cost		(841)	(282)
Financial assets at fair value through other comprehensive income		1	4
Administrative expenses	(9)	(7 394)	(7 340)
Net provisions for risks and charges:	(27)	285	(161)
Loan commitments and financial guarantees given		528	(104)
Other net provisions		(243)	(57)
Depreciation and impairment of property, equipment and right of use assets	(18)	(483)	(442)
Amortisation and impairment of intangible assets	(19)	(685)	(850)
Other operating expenses	(10)	(134)	(145)
<b>Operating expenses</b>		<b>(8 411)</b>	<b>(8 938)</b>
Net income/(loss) on property measured at fair value	(18)	3	(8)
Profit/(loss) from the sale of non-financial assets		(1)	(1)
<b>Profit before income tax</b>		<b>13 049</b>	<b>12 077</b>
Income tax	(28)	(2 540)	(1 821)
<b>Profit after tax</b>		<b>10 509</b>	<b>10 256</b>

The notes on pages 128–206 form an integral part of these financial statements.

## Separate Statement of Comprehensive Income for the year ended 31 Dec 2024

	2024 MCZK	2023 MCZK
<b>Items that cannot be subsequently reclassified to profit or loss</b>		
Reserve from revaluation of financial assets at fair value through other comprehensive income, <i>of which:</i>	(1)	–
Change in fair value	(1)	–
Reserve from revaluation of property used in business measured at fair value, <i>of which:</i>	14	(28)
Change in fair value	32	(27)
Transfers to other net equity items	(7)	(7)
Deferred tax	(11)	6
<b>Items that can be subsequently reclassified to profit or loss</b>		
Reserve from revaluation of hedging instruments in cash flow hedges, <i>of which:</i>	1 080	3 640
Change in fair value	2 675	6 027
Revaluation reclassified to profit or loss	(1 420)	(1 643)
Deferred tax	(175)	(744)
Reserve from revaluation of financial assets at fair value through other comprehensive income, <i>of which:</i>	14	(129)
Change in fair value	13	(176)
Revaluation reclassified to profit or loss	5	8
Deferred tax	(4)	39
Foreign exchange rate differences from the consolidation of a foreign branch	211	317
<b>Other comprehensive income, net of tax</b>	<b>1 318</b>	<b>3 800</b>
<b>Other comprehensive income, net of tax, attributable to the Group's shareholder</b>	<b>1 318</b>	<b>3 800</b>
<b>Total comprehensive income, net of tax</b>	<b>11 827</b>	<b>14 056</b>

The notes on pages 128–206 form an integral part of these financial statements.

## Statement of financial position as of 31 December 2024

	Note	2024 MCZK	2023 MCZK
<b>Assets</b>			
Cash and cash balances	(11)	10 085	8 814
Financial assets at fair value through profit or loss, <i>of which:</i>	(12)	25 543	34 170
Held for trading		25 440	33 999
Mandatorily at fair value		103	171
Financial assets at fair value through other comprehensive income, <i>of which:</i>	(13)	55 369	51 953
Provided as collateral		3 543	5 945
Financial assets at amortised cost, <i>of which:</i>		852 188	750 474
Loans and advances to banks	(14)	230 665	158 548
Loans and advances to customers, <i>of which:</i>	(15)	621 523	591 926
Provided as collateral		799	1 763
Positive fair value of hedging derivatives	(16)	10 937	14 480
Changes in fair value of the portfolio of hedged instruments	(35ii)	1 879	1 122
Equity-accounted investees	(17)	3 979	3 979
Property, equipment and right of use assets	(18)	3 410	3 467
Intangible assets	(19)	2 240	2 353
Tax receivables, <i>of which:</i>	(28)	1 996	2 077
Deferred tax		1 996	2 077
Other assets	(20)	2 822	1 190
<b>Total assets</b>		<b>970 448</b>	<b>874 079</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss, <i>of which:</i>		23 846	33 373
Held for trading	(21)	23 846	33 373
Financial liabilities at amortised cost, <i>of which:</i>		839 729	724 554
Deposits from banks	(22)	23 846	28 972
Deposits from customers and Lease liabilities	(23)	702 115	617 058
Debt securities issued	(24)	113 768	78 524
Negative fair value of hedging derivatives	(25)	23 771	30 141
Changes in fair value of the portfolio of hedged instruments	(35ii)	(4 632)	(6 540)
Tax liabilities, <i>of which:</i>	(28)	57	199
Current income tax		57	199
Other liabilities	(26)	7 651	8 638
Provisions for risks and charges	(27)	1 137	1 404
<b>Total liabilities</b>		<b>891 559</b>	<b>791 769</b>
<b>Equity</b>			
Issued capital	(29)	8 755	8 755
Share premium	(29)	3 495	3 495
Reserve funds from revaluation		(4 008)	(5 284)
Retained earnings and reserve funds	(31)	60 138	65 088
Profit for the period		10 509	10 256
<b>Total shareholder's equity</b>		<b>78 889</b>	<b>82 310</b>
<b>Total liabilities and shareholder's equity</b>		<b>970 448</b>	<b>874 079</b>

The notes on pages 128–206 form an integral part of these financial statements.



## Statement of cash flows for the year ended 31 December 2024

	Note	2024 MCZK	2023 MCZK
<b>Profit after tax</b>		<b>10 509</b>	<b>10 256</b>
Adjustments for non-monetary items:			
Impairment losses of:	(8)	840	278
Financial assets at amortised costs		841	282
Financial assets at fair value through other comprehensive income		(1)	(4)
Revaluation of financial instruments		(1 986)	(1 308)
Net provisions for risks and charges:	(27)	(471)	161
Loan commitments and financial guarantees given		(528)	104
Other net provisions		57	57
Depreciation and impairment of property, equipment and right of use assets	(18)	480	442
Amortisation and impairment of intangible assets	(19)	685	850
Net income/(loss) from the sale or repurchase of:	(6)	35	(39)
Financial assets at fair value through other comprehensive income		35	(39)
Profit/(loss) from the sale of non-financial assets		1	1
Taxes	(28)	2 540	1 821
Unrealised foreign currency gains/(losses)		169	337
Net interest income	(1)	(14 404)	(14 196)
Other non-monetary adjustments (FX revaluation, Accruals and Others)		(3 806)	(6 393)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>(5 408)</b>	<b>(7 790)</b>
Financial assets at fair value through profit or loss, <i>of which</i> :	(12)	10 545	20 481
Held for trading		10 545	20 043
Mandatorily at fair value		–	438
Financial assets at amortised cost, <i>of which</i> :		(100 945)	(112 893)
Loans and advances to banks	(14)	(72 357)	(50 552)
Loans and advances to customers	(15)	(28 588)	(62 341)
Other financial instruments		(412)	3 123
Other assets		(2 337)	(857)
Financial liabilities at fair value through profit or loss, <i>of which</i> :		(9 684)	(19 847)
Held for Trading	(21)	(9 684)	(19 847)
Financial liabilities at amortised cost, <i>of which</i> :		80 207	89 961
Deposits from banks	(22)	(4 958)	(24 031)
Deposits from customers	(23)	85 165	113 992
Other liabilities		(1 145)	1 433
Interests received		34 967	34 091
Interests paid		(20 436)	(18 924)
Income tax paid		(2 784)	(2 160)
<b>Net cash flows from operating activities</b>		<b>(17 432)</b>	<b>(13 382)</b>
(Purchase) of financial assets at fair value through other comprehensive income	(13)	(9 297)	(27 751)
Sale and maturity of financial assets at fair value through other comprehensive income	(13)	8 093	8 469
Cash proceeds from the sale of property and equipment and intangible assets		–	2
(Acquisition) of property and equipment and intangible assets		(397)	(623)
Dividends received		705	707
<b>Net cash flows from investment activities</b>		<b>(896)</b>	<b>(19 196)</b>
Dividends paid		(15 256)	(8 923)
Financial liabilities at amortised cost – issue of debt securities	(24)	35 789	43 084
Financial liabilities at amortised cost – repayment of issued debt securities	(24)	(542)	(140)
(Payment) of Lease liabilities	(23)	(392)	(363)
<b>Net cash flows from financial activities</b>		<b>19 599</b>	<b>33 658</b>
<b>Cash and cash balances at the beginning of the period</b>	(11)	<b>8 814</b>	<b>7 734</b>
<b>Cash and cash balances at the end of the period</b>	(11)	<b>10 085</b>	<b>8 814</b>

The notes on pages 128–206 form an integral part of these financial statements.

# Statement of changes in equity for the year ended 31 December 2024

	Issued capital	Share premium	Reserve from revaluation of				Retained earnings and reserve funds				Profit for the period	Equity
			hedging instruments	financial assets at fair value through other compr. income	property measured at fair value	exchange rate gains/(losses) of a foreign branch	Reserve fund and other capital funds	Special purpose reserve fund	Retained earnings			
<b>MCZK</b>												
Balance as of 1 January 2023	8 755	3 495	(8 284)	(146)	201	(875)	3 372	11 609	50 121	8 923		77 171
<b>Transactions with owners, contributions from and distributions to owners</b>												
Allocation of the prior year profit									8 923	(8 923)		–
Dividend payment									(8 923)			(8 923)
Consolidation impact						20			(14)	–		6
<b>Total comprehensive income for the current period</b>												
Net profit for the current period											10 256	10 256
Other comprehensive			3 640	(129)	(28)	317						3 800
Balance as of 31 December 2023	8 755	3 495	(4 644)	(275)	173	(538)	3 372	11 609	50 107	10 256		82 310
Balance as of 1 January 2024	8 755	3 495	(4 644)	(275)	173	(538)	3 372	11 609	50 107	10 256		82 310
<b>Transactions with owners, contributions from and distributions to owners</b>												
Allocation of the prior year profit									10 256	(10 256)		–
Dividend payment									(15 256)			(15 256)
Consolidation impact						(42)			50	–		8
<b>Total comprehensive income for the current period</b>												
Net profit for the current period											10 509	10 509
Other comprehensive			1 080	13	14	211						1 318
Balance as of 31 December 2024	8 755	3 495	(3 564)	(262)	187	(369)	3 372	11 609	45 157	10 509		78 889

The notes on pages 128–206 form an integral part of these financial statements.

# Notes to the financial statements (separate)

Year ended 31 December 2024

## I. Introduction

### General Information

UniCredit Bank Czech Republic and Slovakia, a.s. (hereinafter the "Bank") was established through the cross-border merger of UniCredit Bank Czech Republic, a.s. and UniCredit Bank Slovakia a.s. with UniCredit Bank Czech Republic, a.s. being the successor company. The effective merger date was 1 July 2013. Changes in the business name and other facts related to the cross-border merger were recorded in the Commercial Register in Prague, Section B, Insert 3608 on 1 December 2013. The identification number of the Bank is 64948242.

As part of restructuring in UniCredit Group, the Bank's shareholder changed on 1 October 2016 from UniCredit Bank Austria AG to UniCredit S.p.A which is the ultimate parent company of the entire UniCredit Group holding 100% of the Bank's shares.

*The Bank's registered office:*

Želetavská 1525/1

140 92, Praha 4 – Michle

Following the completion of the cross-border merger, the Bank has been continuing to perform activities previously undertaken by UniCredit Bank Slovakia a.s. on the territory of the Slovak Republic through its organisational branch UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky (branch of a foreign bank).

### Scope of Activities

The Bank is a universal bank providing services of retail, commercial and investment banking services in Czech crowns and foreign currencies for domestic and foreign clients, mainly in the Czech Republic and also in other states of the European Union.

The Bank's principal activities include:

- Receiving deposits from the public;
- Providing loans;
- Investing in securities on its own behalf;
- Operating a system of payments and clearing;
- Issuing and administration of payment products;
- Providing guarantees;
- Opening letters of credit;
- Administering cash collection;
- Trading on its own behalf or on behalf of clients:
  - In foreign-exchange currency products;
  - In forward and option contracts, including foreign currency and interest rate contracts; and
  - With transferable securities;
- Participating in share subscriptions and providing related services;
- Issuing mortgage bonds;
- Conducting financial brokerage;

- Managing securities, including portfolio management, on behalf of clients;
- Providing depository services and administration of securities;
- Providing depository services for investment funds;
- Conducting foreign currency exchange activities;
- Providing banking information;
- Renting safe-deposit boxes; and
- Conducting activities directly connected with the activities stated above.

## II. Basis for the preparation of the separate financial statements

### Statement of compliance

The Separate financial statements of the Bank (hereinafter also "Financial Statements") for 2024 and comparatives for 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") in Commission Regulation (EC) no. 1126/2008 as amended including valid interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), further "IFRS".

### Purpose of preparation

The purpose of preparing these financial statements in the Czech Republic is to comply with Act on Accounting No. 563/1991 Coll. The Bank prepares its financial statements and annual report under special regulation 1606/2002 of the European Parliament and of the Council on the Application of International Accounting Standards (IFRS).

### Basis of preparation

These financial statements were authorised for issue by the board of directors and are subject to approval at the General Meeting of Shareholders.

These financial statements were prepared based on the going concern assumption that the Bank will continue to operate in the foreseeable future.

The annual separate and consolidated financial statements for 2023 and the profit distribution for 2023 were approved by the Shareholder of the Bank on 8 April 2024. The bank's sole shareholder was paid a dividend of CZK 10.3 billion in June 2024 and an extraordinary dividend of CZK 5.0 billion in November 2024.

The financial statements are prepared on the accrual basis of accounting whereby the effects of transactions and other events are recognised when they occur and reported in the financial statements of the periods to which they relate and on the going concern assumption.

All presented amounts are in millions of Czech crowns (millions of CZK) unless stated otherwise.

The financial statements were prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income, derivative contracts, other financial assets and liabilities held for trading, financial assets and liabilities at fair value through profit or loss, and properties used in business, all of which have been measured at fair value. The methods for determining fair value are presented in section III. Material Accounting Policies, point 3. Fair Value Measurement Principles. Recognised assets and liabilities that are hedged against the risk of changes in fair value and would not otherwise be measured at fair value are remeasured at fair value to the extent of the hedged risk.

#### Regulatory requirements

The Bank is subject to the regulatory requirements of the Czech National Bank, which include limits and other restrictions pertaining to minimum capital adequacy requirements, provisioning to cover credit risk, liquidity, interest rates and foreign exchange position of the Bank.

#### Foreign Currency and Foreign Currency Translation

The Czech crown is the functional currency of the Bank. Euro is the functional currency of the Slovak branch. The presentation currency of these financial statements is the Czech crown. Assets and liabilities of the branch are translated into the presentation currency using the foreign exchange rate applicable as of the financial statements date. The income statement of the branch is translated using the average exchange rate. The resulting difference arising from the use of various foreign exchange rates is recognised in equity as "Foreign exchange rate gains or losses from the branch". Figures in brackets represent negative amounts.

Transactions in foreign currencies (ie other than the functional currency) are translated to the functional currency using the foreign exchange rate promulgated by the central bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the closing foreign exchange rate at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated to the functional currency at the foreign exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated to the functional currency using the exchange rates at the date when the fair value was measured. Foreign exchange differences arising on translation are recognised in the income statement as "Net income/(loss) from trading".

## III. Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for the

item "*Cash and cash balances*". For more details see point 8. and 24. in this section.

### 1. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

The Bank classifies financial instruments in the following categories:

- Financial assets measured at amortised cost ("AC"),
- Financial assets measured at fair value through other comprehensive income ("FVTOCI"),
- Financial assets mandatorily measured at fair value through profit or loss ("FVTPL"),
- Financial assets held for trading ("FVTPL"),
- Financial liabilities measured at amortised cost ("AC") and
- Financial liabilities measured at fair value through profit or loss ("FVTPL").

The Bank has applied IFRS 9 approach to the classification and measurement of financial assets that takes into account:

- The business model for managing financial assets; and
- Characteristics of contractual cash flows from a specific financial asset.

A financial asset is valued at *amortised cost* if both the following conditions are met:

- The asset is held as part of a business model whose aim is to hold financial assets in order to obtain contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A business model's objective may be to hold financial assets to collect contractual cash flows even when some sales of financial assets have occurred or are expected to occur.

A financial asset is measured at *fair value through other comprehensive income* if both the following conditions are met:

- The asset is held as part of a business model whose aim is achieved by collection of contractual cash flows as well as by sale of financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income can also include investments in equity instrument if they are not held for trading and are designated so on initial recognition.

A financial asset is measured at *fair value through profit or loss* if it is not measured at amortised cost or at fair value through other

comprehensive income or if it is designated at FVTPL on initial recognition.

All financial liabilities of the Bank, except for financial liabilities held for trading, financial liabilities designated at FVTPL on initial recognition and hedging derivatives, are measured at amortised cost.

#### a) Business Model Assessment

Business model ("BM") refers to the way the Bank manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The following is considered as evidence when assessing which business model is relevant:

- How the performance of the business model (and the financial assets held within that business model) is evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed;
- How managers of the Bank are compensated (eg whether compensation is based on the fair value of the assets managed or the contractual cash flows collected);
- The frequency, value and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity; and
- Whether sales activity and the collection of contractual cash flows are integral or incidental to the business model.

The business model is determined at a level that reflects the way groups of financial assets are managed together to achieve a particular business objective. The Bank's business model does not depend on management's intentions for an individual instrument but is determined at a higher level of aggregation.

The business model assessment resulted in the following business models of the Bank:

*Business model "Held to collect"* comprises the banking book and was assigned mainly to the lending portfolio and the portfolio of debt securities that are held with the intention to collect contractual cash flows.

Although the objective of the business model is to hold financial assets in order to collect contractual cash flows, the entity need not hold all of those instruments until maturity. Thus this business model can be to hold loans and bonds to collect contractual cash flows even where limited sales of financial assets occur or are expected to occur in the future.

Sales are consistent with the held-to-collect business model in the following situations:

- The sales are due to an increase in the credit risk of a financial asset;
- The sales take place close to the maturity of the financial asset and the proceeds from the sales approximate the collection of the remaining contractual cash flows;
- The sales are infrequent (even if significant), or are insignificant individually and in aggregate (even if frequent).

The *business model "Held to collect and sell"* comprises the banking book and was assigned mainly to:

- The portfolio of debt securities whose objective is achieved by both collecting contractual cash flows and selling financial assets; these are used primarily for liquidity, interest and duration management, and
- Equity instruments irrevocably designated at FVTOCI on initial recognition.

The *"Other" business model* was assigned to financial instruments (debt securities, derivatives and equity instruments) that are not allocated to any of the above business models and the main strategy is:

- Trading:
  - To realise cash flows through sale of the assets or
  - To manage the instruments actively on fair value basis in order to realise fair value changes arising from market factor changes like yield curves, credit spreads etc.
- Managing Risk Weighted Assets, or
- Liquidity and interest rate management up to one year.

#### b) Analysis of Contractual Cash Flow Characteristics

For the classification of financial assets based on the new IFRS 9 categories, the analysis of the business model is complemented by the analysis of the contractual cash flows – assessment whether the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest ("SPPI Test"). This analysis is only performed at initial recognition of the instrument.

For this purpose, interest is defined as a consideration for the time value of money, the credit risk associated with the principal during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

This analysis is performed for loan products either at "contract template" level for standardised products, or at contract by contract level for tailored corporate loan contracts. For securities, the analysis is performed at ISIN level using mainly an external data provider.

### Modified Time Value of Money

The time value of money is the element of interest that provides consideration for the passage of time. It does not take into account other risks (credit, liquidity, etc) or costs (administrative, etc) associated with holding a financial asset.

In some cases, the time value of the money element may be modified (imperfect). This is the case, for example, if a financial asset's interest rate is periodically reset but the frequency of that reset does not match the tenor of the interest rate. In this case, the Bank must assess the modification to determine whether the contractual cash flows still represent solely payments of principal and interest, ie the modification term does not significantly alter the cash flows from a perfect benchmark instrument. For this assessment, the Bank uses a Benchmark tool developed at UniCredit Group level.

## c) Recognition and Measurement of Financial Assets

### Financial assets at amortised cost

*"Financial assets at amortised cost"* are recognised in the Bank's accounting books from the moment of settlement. Foreign exchange gains and losses and impairment losses are recognised in the Bank's income statement from the trade date.

Financial assets at amortised cost are measured initially at fair value, including transaction costs. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest rate method.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts during the expected life of the financial asset or liability to the gross carrying amount of the financial asset or amortised cost of the liability. The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on the acquisition of the financial asset, as well as fees and costs that are an integral part of the EIR. The Bank recognises interest income using an effective interest rate over the expected life of the financial asset at amortised cost. For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest alters the effective interest rate.

Financial assets at amortised cost represent cash and cash equivalents, loans and advances to banks, loans and advances to customers and debt securities.

*"Purchased or originated credit-impaired financial assets" (POCI)* are financial assets that are credit-impaired on initial recognition. The Bank recognises POCI when additional significant financing, net of additional collaterals, is granted to a credit-impaired borrower. The Bank identified no POCI assets during 2024, or in 2023.

POCI is measured at amortised cost using credit-adjusted EIR. On initial recognition, POCI assets do not carry an impairment allowance. Instead, lifetime expected credit losses are incorporated into the calculation of the credit-adjusted EIR. The credit-adjusted EIR is calculated using the expected cash flows inclusive of future lifetime expected credit losses – ie the estimated contractual cash flows are reduced by lifetime expected credit losses. For subsequent measurement, the expected credit losses for POCI assets are measured as lifetime expected credit losses. However, only the cumulative changes in lifetime expected credit losses since initial recognition are recognised as a loss allowance, and not the total amount of expected credit losses.

Interest income on POCI, is calculated using the credit adjusted EIR applied to the amortised cost of financial asset.

Gains and losses arising from financial assets carried at amortised cost are recognised in the income statement when the financial asset is derecognised (in the item *"Net income/(loss) from the sale or repurchase of: Financial assets at amortised cost"*) or impaired (in the item *"Impairment losses on: Financial assets at amortised cost"*), and through the amortisation process in the item *"Interest income"* using the effective interest rate method.

### Financial assets at fair value through other comprehensive income

*"Financial assets at fair value through other comprehensive income"* are recognised in the Bank's accounting books from the moment of settlement. Any gains or losses arising from changes in the fair value of the assets are recognised in the Bank's other comprehensive income since the trade date; impairment losses are recognised since the trade date.

Financial assets at FVTOCI are measured initially at fair value, including transaction costs. Subsequent to initial recognition, these financial assets are measured at fair value.

Gains and losses arising from a change in the fair value of debt instrument assets at fair value through other comprehensive income are recognised in other comprehensive income and become the equity item *"Reserve funds from revaluation"*, with the exception of expected credit losses that are reported in the income statement as *"Impairment losses on: Financial assets at fair value through other comprehensive income"*. When financial assets are sold, transferred or otherwise disposed of, the cumulative gain or loss recognised in equity is transferred to the income statement as *"Net income/(loss) from the sale or repurchase of: Financial assets at fair value through other comprehensive income"*. Interest income from fair value through OCI debt securities is recognised in the income statement as *"Interest income"* using the effective interest rate method.



Financial assets at FVTOCI include debt instruments and equity instruments (designated at FVTOCI on initial recognition).

*“Equity instruments designated at FVTOCI on initial recognition”* – on initial recognition of an equity instrument that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This decision is made on an investment-by-investment basis for each investment and covers strategic interests. Subsequent changes in fair value from revaluation are recognised during the life of the equity instrument in the item *“Reserve funds from revaluation”* and, on its derecognition, the subsequent changes are not recognised in the income statement. After derecognition of the investment, the final cumulative changes in fair value are transferred to retained earnings.

Dividend income from equity instruments is recognised in the income statement in *“Dividend income”* on the date the dividend is declared.

#### **Financial assets at fair value through profit and loss**

*“Financial assets at fair value through profit or loss”* are recognised in the Bank’s accounting books from the moment of settlement. Any gains or losses arising from changes in the fair value of the assets are recognised in the Bank’s the income statement since the trade date.

Initial and subsequent measurement of the financial assets at fair value through profit or loss is at fair value.

Financial assets at FVTPL include financial assets:

- *Held for trading* (debt instruments or derivatives)
- *Mandatorily at fair value*
- *Designated at FVTPL* on initial recognition.

*“Financial assets at fair value through profit or loss: Held for trading”* include instruments held by the Bank principally for the purpose of short-term profit taking. These instruments include investments in debt and equity instruments, certain purchased receivables and derivative contracts that are not designated as hedging instruments.

A gain or loss arising from sale or redemption, or a change in the fair value of a held for trading financial asset, is recognised in the income statement in the item *“Net income/(loss) from trading”*, including gains or losses related to derivative contracts that are linked to assets and/or liabilities designated at fair value. Interest income from financial assets held for trading is recognised in the income statement in the item *“Interest income”*. If the fair value of a financial instrument falls below zero, which may happen in the case of derivative contracts, it is recognised in the item *“Financial liabilities at fair value through profit or loss: Held for trading”*.

All purchases and sales that require delivery within the time frame established by regulation or market convention (*“regular way”*) are recognised as *spot transactions*. Regular way transactions / spot transactions are recognised at the settlement date, which is the date when a financial instrument is delivered. Transactions that do not meet the regular way settlement criteria are treated as derivatives.

A *derivative* is a financial instrument or other contract that has all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (usually called the *“underlying”*), provided for a non-financial variable that the variable is not specific to a party to the contract;
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- It is settled at a future date (except for regular way transactions).

Sometimes, a derivative may be a component of a combined financial instrument that includes a host contract and a derivative (the embedded derivative) effecting cash flows or otherwise modifying the characteristics of the host instrument. An embedded derivative must be separated from the host instrument and accounted for as a separate derivative if, and only if:

- The host instrument is not a financial asset pursuant to IFRS 9;
- The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
- A separate financial instrument with the same terms as the embedded derivative would meet the definition of a derivative as a stand-alone instrument; and
- The host instrument is either not measured at fair value or it is measured at fair value but changes in fair value are recognised in other comprehensive income.

When an embedded derivative is separated, the host contract is accounted for according to its accounting classification.

Derivatives are recognised in the Bank’s accounting books from the trade date. Derivatives are recorded at fair value and carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of the assets are recognised in the Bank’s the income statement in the item *“Net income/(loss) from trading”* since the trade date.

Derivatives are classified as trading derivatives unless they qualify as hedging instruments in effective hedging. For hedging derivatives



policy see section III. Material Accounting Policies, point 4. Hedging Derivatives.

Financial assets are classified as *“Financial assets at fair value through profit or loss: Mandatorily at fair value”* if they do not meet the conditions, in terms of business model or cash flow characteristics, for being measured at amortised cost or at fair value through other comprehensive income. The following assets are classified in this portfolio:

- Debt instruments, securities and loans for which the business model is neither held to collect nor held to collect and sell but which are not part of the trading book;
- Debt instruments, securities and loans with cash flows that are not solely payment of principal and interest;
- Units in investment funds;
- Equity instruments not held for trading for which the Bank does not apply the option granted by the standard of valuing these instruments at fair value through other comprehensive income.

Gains and losses from *“Financial assets at fair value through profit or loss: Mandatorily at fair value”*, whether realised or unrealised, are recognised in the item *“Net income/(loss) from financial assets/liabilities at fair value through profit or loss: Mandatorily at fair value”*. Interest income from financial assets mandatorily at fair value is recognised in the income statement as *“Interest income”*.

*“Financial assets at fair value through profit or loss: Designated at FVTPL”* – the Bank has the option at initial recognition to irrevocably designate a non-derivative financial asset as at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency, ie an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognising the gains and losses on them on a different basis. In 2024 and in 2023 the Bank held no such assets.

These assets are accounted as for financial assets held for trading however gains and losses, whether realised or unrealised, are recognised in the item *“Net income/(loss) from financial assets/liabilities at fair value through profit or loss”*.

Interest income from financial assets designated at FVTPL is recognised in the income statement as *“Interest income”*.

#### **d) Modification and Derecognition of Financial Asset**

A financial asset is derecognised when the rights to contractual cash flows from an asset expire or the Bank transfers the financial asset and the transfer qualifies for derecognition. This occurs when the rights are realised, expired or surrendered.

Assets measured at fair value through other comprehensive income and assets at fair value through profit or loss that are sold are

generally derecognised and the corresponding receivables from the buyer are recognised at the settlement date.

The Bank also derecognises a financial asset (derecognition accounting) if its contractual conditions have been modified to such an extent that the related cash flows have been materially changed. The new financial asset is classified in stage 1 for the purposes of ECL calculation unless it is credit impaired, in which case it is classified as POCI.

When assessing whether the change is a material change in contractual cash flows, the Bank considers the following factors:

- Change in the currency of the loan;
- Change of the debtor;
- Change causing failure to meet the SPPI test; and
- Change for business reasons (eg maturity extension, change in interest rate).

If the change of contractual conditions does not materially affect the related cash flows, the financial asset is not derecognised. In such case, the Bank recognises gains or losses from modification (modification accounting), representing the difference between:

- The present value of modified expected cash flows (disregarding the credit losses) discounted using the original EIR; and
- The current gross carrying amount.

This difference is recognised in the income statement under the item *“Modification gains/ (losses)”*. In subsequent accounting periods, the modification gains/losses are amortized till the maturity date of the financial asset. This amortization is recognised in the income statement under the item *“Interest income”*.

Changes in contractual cash flows due to the forbearance measure (aside from a change of debtor, change of loan currency or change causing a failure to meet the SPPI test as if performed at the modification date) are considered to be changes that do not significantly affect the related cash flows.

#### **e) Write-offs**

The Bank writes off a financial asset or a part thereof when it has no reasonable expectations of recovering the respective cash flows (from the receivable itself or the collateral received). When performing a write-off, the gross carrying amount of the asset is reduced together with the related loss provision. Direct write-offs and recoveries on written-off loans are reported in the line *“Impairment losses on: Financial assets at amortised cost”*.

The receivable is written-off when:

- The expected costs of recovery of the receivable are higher than its expected recovery;
- All collaterals have been realized and no further performance can be expected;

- Defaulted unsecured receivable for which no performance has been accepted in the last 36 months and no legal action has been initiated during this period;
- Termination of bankruptcy against the debtor due to lack of assets or after meeting the schedule resolution;
- Dissolution of a legal entity without a legal successor (eg liquidation) or death of a natural person, when partial satisfaction has already occurred or cannot be satisfied at all.

Financial assets written off which are subject to further enforcement are recorded in the off-balance sheet. If the Bank, after writing off a financial asset, collects additional amounts from the client, the additional recovery is recognised in the income statement under the item *"Impairment losses on: Financial assets at amortised cost"*.

#### **f) Recognition, Measurement and Derecognition of Financial Liabilities**

*"Financial liabilities at amortised cost"* comprise financial instruments (other than liabilities held for trading or those designated at fair value) representing the various forms of third-party funding. Financial liabilities at amortised cost include deposits from banks, deposits from customers and debt securities issued.

These financial liabilities are recognised at the settlement date initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortised cost using the effective interest rate method. Such interest is recognised in the item *"Interest expense"*.

*"Debt securities issued"* are recognised net of repurchased amounts; the difference between the carrying value of a liability and the amount paid to buy it is recognised in the income statement in the line *"Net income/(loss) from the sale or repurchase of: Financial liabilities"*. Subsequent disposal by the issuer is considered as a new issue which does not produce gains or losses.

The item *"Financial liabilities at fair value through profit or loss"* includes financial liabilities held for trading and financial liabilities designated at FVTPL on initial recognition. Related interest is recognised in the item *"Interest expense"*.

*"Financial liabilities at fair value through profit or loss: Held for trading"* include financial instruments held by the Bank principally for the purpose of short-term profit taking. These instruments include short sales (obligations to deliver financial assets borrowed by a short seller (ie an entity that sells financial assets it does not yet own)) and derivatives that are not designated as hedging instruments.

*"Financial liabilities at fair value through profit or loss: Held for trading"*, including derivatives contracts, are measured at fair value

on initial recognition, as well as on each reporting date subsequent to the initial recognition of the transaction.

A gain or loss arising from sale or redemption or a change in the fair value of a held for trading financial liability is recognised in the income statement in the item *"Net income/(loss) from trading"*.

*"Financial liabilities at fair value through profit or loss: Designated at FVTPL"* – financial liabilities, like financial assets, may also be designated, according to IFRS 9, on initial recognition as measured at fair value, provided that:

- This decision provides more relevant information as:
  - It excludes or significantly reduces the measurement or accounting mismatch that could otherwise arise during the measurement of assets or liabilities or recognition of the respective profits or losses on a different basis; or
  - The group of financial liabilities or financial assets and financial liabilities is controlled and its performance assessed based on fair value and in line with a documented risk management strategy or investment strategy and information on this group is internally transferred to key managers of the Bank on this basis; or
- The contract contains one or more embedded derivatives and the host contract is not an asset subject to IFRS 9, the Bank can include the entire hybrid contract in this category, with the exception of cases where:
  - The embedded derivative does not significantly change the cash flows that would otherwise be required by the contract; or
  - It is clear from the first assessment of a similar hybrid instrument that the exclusion of the embedded derivative is not permitted;
- The financial liability that arises when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

This category may also include financial liabilities represented by hybrid (combined) instruments containing embedded derivatives that otherwise should have been separated from the host contract.

Financial liabilities presented in this category are measured at fair value at initial recognition as well as during the life of the transaction. The changes in fair value are recognised in the income statement in the item *"Net income/(loss) from financial assets/liabilities at fair value through profit or loss"*, except for those changes in fair value related to changes in credit risk of these financial liabilities (so-called own credit risk). In this scenario, the changes in fair value are recognised in the item *"Reserve funds from revaluation"* related to other comprehensive income. If such accounting treatment results in an inconsistency that arises from the application of different methods of measuring assets and liabilities, and related gains or losses, then

the changes in fair value deriving from changes in credit risk are also recorded in the income statement in the item *“Net income/(loss) from financial assets/liabilities at fair value through profit or loss”*.

In 2024 and in 2023 the Bank held no such liabilities.

The Bank derecognizes a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished – i.e. when the obligation specified in the contract is discharged or cancelled or expires.

#### g) Reclassification of Financial Instruments

Financial instruments are not reclassified subsequent to their initial recognition aside from reclassification in the reporting period after a change in the respective business model.

Reclassifications are expected to be very infrequent. Such changes must be determined by the Bank's key management personnel as a result of external or internal changes and must be significant to the Bank's operations and demonstrable to external parties.

The following external or internal changes may result in a business model change:

- Changes in laws and regulations concerning certain assets that obliges the entity to review its business model;
- Changes in strategy concerning certain asset's class, asset's geography, product type;
- Business combinations that induce the entity to review its business model concerning certain financial assets;
- The Bank begins or ceases to perform an activity that is significant to its operations.

The following are not considered to be changes to a business model:

- A change in intention related to specific financial assets (even in circumstances of significant changes in market conditions);
- A temporary disappearance of a particular market for financial assets; or
- A transfer of financial assets between parts of the entity with different business models.

Any reclassification is applied by the Bank prospectively, so the Bank does not adjust any previously recognised gains, losses (including impairment gains or losses) or interest.

Investments in equity instruments that are designated as at FVTOCI at initial recognition and financial assets at fair value through profit or loss that are designated as at FVTPL may not be reclassified, as a decision to designation is irrevocable.

#### h) Day 1 Profit/Loss

If the transaction price differs from the fair value of a financial asset or financial liability measured at fair value, the difference between

these values (profit or loss) is reported in the income statement, except for Level 3 fair value measurement. The Bank typically does not conduct this type of transactions with Day 1 Profit/Loss.

## 2. Impairment of Financial Instruments

The Bank recognises impairment losses on its debt financial instruments, other than those measured at FVTPL, its lease receivables and its off-balance credit risk exposures arising from financial guarantees and loan commitments. The impairment is based on expected credit losses whose measurement reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supporting information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For reporting and provisioning purposes, the Bank uses a three-stage model in line with IFRS 9 that takes into account changes in credit risk since initial recognition (“staging”):

- Stage 1 includes financial assets with a credit risk which has not increased significantly since initial recognition, as well as assets with low credit risk at the balance sheet date. The 12-month expected credit losses (or shorter depending on the maturity of the instrument) are recognised for these assets. Interest income is calculated on the basis of the gross carrying amount of assets.
- Stage 2 includes credit exposures that, although performing, have seen their credit risk significantly deteriorating since initial recognition. Full lifetime expected credit losses are recognised for these assets. Interest income is calculated on the basis of the gross carrying amount of assets.
- Stage 3 includes impaired credit exposures. Full lifetime expected credit losses are recognised for these assets. Interest income is calculated on the basis of the net carrying amount of assets. This category includes non-performing receivables.

Impairment models are adapted to comply with the accounting requirements stated in IFRS 9, and also follow the “Guidelines on credit institutions’ credit risk management practices and accounting for expected credit losses” issued by EBA.

Subject to expected losses calculation are financial assets at amortised cost and the applicable off balance sheet exposures (such as loan commitments and financial guarantee contracts), all credit exposures assets classified at Fair Value through Other Comprehensive Income and Lease receivables.

Furthermore, specific adjustments are developed to the Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD) parameters used for regulatory reporting purposes (Basel)

to compound the Expected Credit Loss (ECL), and a model is developed to assess the Stage Allocation on unimpaired assets, at transaction level, between Stage 1 and Stage 2.

The main difference between the two stages is the time horizon which the ECL is expected to be calculated on.

On LGD and EAD specific adjustments are applied to parameters already calculated for “regulatory” purposes, in order to ensure full consistency, net of different regulatory requirements, between regulatory and accounting treatment. The main adjustments are to:

- Remove the conservatism only required for regulatory purposes;
- Introduce a “point in time” adjustment, instead of the “through the cycle” adjustment embedded in the regulatory parameters;
- Include forward-looking information; and
- Extend the credit risk parameters in a multiyear perspective.

As for PDs, dedicated lifetime PD curves are developed for each main client segment based on cumulated default rates, and are calibrated to reflect a point in time and forward-looking expectation regarding portfolio default rates.

The Expected Credit Loss derived from such adjusted parameters is also compounded taking into consideration macroeconomic forecasts.

A key aspect deriving from the model when compounding the final Expected Credit Loss is the stage allocation model, which allocates credit transactions between Stage 1 and Stage 2 (Stage 3 being equivalent to Impaired assets). Stage 1 mainly includes (i) newly originated exposures, (ii) exposures with “no significant increase in credit risk since initial recognition” or (iii) “low credit risk” exposures at the reporting date.

Stage 2 allocation assessment includes a combination of relative and absolute triggers. Relative triggers are:

- The relative comparison, at transaction level, between the PD at origination and the PD at each reporting date, both calculated through internal models, with thresholds set to each tower, segment, rating class at the initial recognition and remaining maturity. This procedure assesses whether there has been a material deterioration in credit quality since initial recognition with the life-time PD values (so called AP7/9 approach);
- additional relative trigger was introduced in May 2022 which assigns stage 2 to exposures having current PD higher than triple of the PD at origination.

**Low credit risk exemption (LCRE)** – specific condition allowing to keep stage 1 to exposures even if exceeding one of the two of relative triggers but only if the actual PD is lower than 0,306%.

Absolute triggers for stage 2 assignment are following:

- Exposures being overdue more than 30 days;
- new classifications to Forborne;
- transfer to Watchlist 2 process;
- having internal rating 8+ or 8.

Additionally, to the above-mentioned stage 2 triggers, there is a rule of 3-months Minimum Time Permanence (MTP) in place which assures the assignment of stage 2 for at least 3 continuous months. Such forced stage 2 assignment is performed in case none of stage 2 trigger is active anymore and the exposure was categorized in stage 2 for less than 3 continuous months. Such rule is not valid for Forbearance trigger where the stage 2 assignment is fully symmetrical with the Forbearance classification.

The Bank uses the “client default” definition in line with Regulation No. 575/2013 of the European Parliament and of the Council and with Final Report Guidelines on the application of the definition of default (EBA/GL/2016/07); specifically, a debtor’s default involves situations where:

- a. The debtor is in default with at least one repayment of the principal or related interest on any of its payables to the bank for a period greater than 90 days; and/or
- b. It is likely that the debtor will be unable to settle its payables on a timely basis and in full without the bank resorting to realising collateral.

Standard cases where the debtor will be unable to settle its payables:

- Changes in contractual cash flows due to granting relief to the debtor (the “forbearance measure” from which the bank takes a loss);
- The loan has been restructured or deferred for a long period;
- The debtor has committed credit fraud or has violated the financial commitments of the loan;
- The debtor is dead or insolvent;
- It is probable that the debtor will enter into bankruptcy or legal restructuring of its debts, etc.

In this evaluation, expected disposal scenarios are also considered as far as UniCredit Bank Non-Performing Assets Strategy foresees the recovery of defaulted assets via their transfer.

When defining the perimeter of impaired assets, the Definition of Default currently applied by UniCredit Group has been adopted, which incorporates some of the key principles embedded in the Definition of Default guidelines issued by EBA, such as the assessment of impairment or default by considering the overall exposure to a given debtor (so called “debtor approach”).

#### *Financial assets at amortised cost*

Financial assets at amortised cost predominantly include loans and advances to banks, loans and advances to customers and trade receivables and are reported net, ie reflecting impairment losses.

Individual impairment losses adjust the carrying amount of individually assessed financial assets at amortised cost to their recoverable amount. The recoverable amount of financial assets at amortised cost is set as the present value of expected future cash flows discounted with the original effective interest rate of the financial instrument.

Expected cash flows from the individual asset portfolios with the same characteristics (based on the segment/rating model) are set based on historical losses while taking into account the anticipated macroeconomic development. Based on this information, the expected loss is calculated as of the balance sheet date.

*Financial assets at fair value through other comprehensive income*  
Impairment of debt financial assets at fair value through other comprehensive income in the amount of the expected credit loss is reported in the income statement under *"Impairment losses on financial assets"*. Impairment losses on equity securities classified as financial assets at fair value through other comprehensive income are not reported.

#### *Trade receivables*

Trade receivables impairment is calculated using a simplified approach based on days past due.

For additional information on Credit Risk Management please refer to section V. Other Notes, point 35 b).

#### *Loan commitments and financial guarantees*

Under IFRS 9, the impairment requirements also apply to loan commitments and financial guarantees off the statement of financial position. The Bank assesses on a forward-looking basis the expected credit losses associated with exposures from loan commitments and financial guarantee contracts.

When estimating life-time Expected Credit Loss for undrawn loan commitments, the Bank estimates the expected portion of the loan commitment that will be drawn down over its expected life. The Expected Credit Loss is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of scenarios.

For financial guarantees, the Bank estimates Expected Credit Losses based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs any amounts the Bank expects to recover. The calculation is made using a probability-weighting of scenarios.

The Expected Credit Losses related to loan commitments and financial guarantee contracts are recognised under the item *"Provisions for risks and charges"* in the statement of financial

position and under the item *"Net provisions for risks and charges: Loan commitments and financial guarantees given"* in the income statement.

### 3. Fair Value Measurement Principles

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and financial liabilities is based on their quoted market price on an active market at the balance sheet date without deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flow techniques that maximises market observable inputs and minimizing those unobservable.

Where discounted cash flow techniques are used, estimated future cash flows are based on Bank management's best estimates and the discount rate is based on the market rate at the balance sheet date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market rates at the balance sheet date.

The fair value of derivatives that are not exchange-traded is estimated as the amount that the Bank would receive or pay to terminate the contract at the balance sheet date, taking into account current market conditions and the current creditworthiness of the counterparties and of the Bank.

Bonds in the Bank's portfolio are valued on a daily basis using available market rates quoted by market participants using Bloomberg services. A group of contributors who provide reliable and regular bond valuations is selected for each of the bonds. The credit spread of the bond is calculated from particular contributions and discount curves.

If there are sufficient current market prices of contributions available, the valuation is calculated as an average value. To prevent possible errors of particular contributions, a comparison of daily changes is made at the same time.

If no market price is available as a source of valuation or the number of actual contributions is not sufficient, the Bank will carry out the valuation on the basis of a risk-free swap rate, to which the credit spread known as of reporting date is applied. The Bank continues to apply this method until:

- Market quotations are again available;
- The credit spread of a particular bond is adjusted based on a comparison of credit spreads of similar bonds;
- The Bank receives other information about a change of the spread applied;



- The issuer's credit rating changes (change of internal and/or external rating, evidence from the market that creditworthiness is worsening); and
- The liquidity of the specific securities has deteriorated significantly.

Subsequently, the Bank will carry out the valuation comprising new aspects of the market price, including an assessment of possible impairment losses (see section III. Material Accounting Policies, point 2. Impairment, namely impairment of financial assets at fair value through other comprehensive income).

Bank management believes that the fair value of the assets and liabilities presented in these financial statements can be measured reliably.

Financial assets and financial liabilities are classified into fair value levels depending on the quality of the input used in the valuation. Individual levels are defined as follows:

- Level 1 input – quoted (unadjusted) prices on active markets for identical assets or liabilities available to the Bank as of the date of valuation;
- Level 2 input – input data other than the quoted prices contained in level 1 that are observable for an asset or liability either directly or indirectly. This category includes the instruments valued at: quoted prices of similar assets or liabilities on active markets; quoted prices of identical or similar assets or liabilities on markets that are not active; valuation techniques for which a significant input is observable on the market directly or indirectly; and
- Level 3 input – unobservable input data for an asset or liability. This category includes instruments under which valuation techniques contain an input not based on observable data and the unobservable input may have a significant impact on the instrument's valuation.

The Bank evaluates the levels at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary, based on the facts at the end of the reporting period.

#### **Fair Value Adjustments (FVA)**

Fair value adjustment is defined as the amount to be added to the market observed mid-price or to the theoretical price generated by a valuation model to obtain a fair value of the position. Therefore FVA are aimed at ensuring that the fair value reflects the exit price of a certain position.

Adjustments used are as follows:

- Credit/debit valuation adjustment (CVA/DVA);
- Funding Cost and Funding Benefit Adjustment (FCA/FBA)
- Model Risk;
- Close-out Costs;
- Other Adjustments.

#### **Credit/Debit valuation adjustment (CVA/DVA)**

Credit valuation adjustments (CVAs) and debit valuation adjustments (DVAs) are incorporated into derivative valuations to reflect the impact on fair value of counterparty credit risk and Bank's own credit quality respectively.

Bank CVA/DVA methodology is based on the following inputs/assumptions – simulation approach:

- New products that can be valued are automatically included for CVA,
- Two sided bilateral CVA is used,
- EAD derived by simulation techniques – the whole portfolio of trades as well as risk mitigation techniques such as netting and margining with this counterpart is taken into account,
- PD – precise computation of counterparty exposure
  - Implied by current market default rates, obtained from Credit Default Swaps,
  - Use single name CDS where available, use sector curve approximations (based on internal rating and sector).

#### **Funding Cost and Funding Benefit Adjustment (FCA/FBA)**

Funding Valuation Adjustment (FundVA) is the sum of a Funding Cost Adjustment (FCA) and of a Funding Benefit Adjustment (FBA) that accounts for the expected future funding costs/benefits for derivatives that are not fully collateralised. Most material contributors are in-the-money trades with uncollateralised counterparties.

UniCredit FVA methodology is based on the following inputs:

- Positive and Negative exposure profiles derived from leveraging on a risk-neutral spin-off of the Counterparty Credit Risk internal model;
- PD term structure implied by current market default rates obtained from credit default swaps;
- A funding spread curve that is representative of the average funding spread of peer financial groups.

#### **Model Risk**

Financial models are used for the valuation of the financial instruments if direct market quotes are not readily available. In general, model risk is represented by the possibility that a financial instrument's evaluation is sensitive to the choice of model. It is possible to value the same financial instrument by using alternative models which could provide different results in term of pricing. The model risk adjustment refers to the risk that the actual fair value of the instrument differs from the value produced by the model.

#### **Close-out Costs**

This measures the implicit costs of closing an (aggregated) trading position. The short position could be closed by a long position and vice versa, or by entering into a new transaction (or several transactions) that offsets (hedges) the open position. Close-out

costs are typically derived from the bid/ask spreads observed on the market. It accounts for the fact that a position is valued at mid but can only be closed at bid or ask. This adjustment is not needed when the position is marked at bid or ask and already represents an exit price. In addition a close-out adjustment of the NAV is applied when there are penalties relating to a redemption of investment funds.

#### Other Adjustments

Other fair value adjustments not included in the previous categories may be taken into consideration to align the evaluation to the current exit price, according to the level of liquidity of the market and valuation parameters, e.g. adjustment of equity prices whose quotation on the market are not representative of the effective exit price.

For Fair Value disclosures see section V. Other Notes, point 37. Fair Value of Financial Assets and Financial Liabilities.

## 4. Hedging Derivatives

Hedging derivatives are carried at fair value. Positive fair value is presented in the item *“Positive fair value of hedging derivatives”*, negative fair value is presented in the item *“Negative fair value of hedging derivatives”*. The method of recognising fair value depends on the model of hedge accounting applied.

Hedge accounting can be applied if:

- The hedge is in line with the Bank's risk management strategy;
- The hedge relationship is formally documented at the inception of the hedge;
- It is expected that the hedge relationship will be highly effective throughout its life;
- The effectiveness of the hedge relationship can be objectively measured;
- The hedge relationship is highly effective throughout the accounting period; and
- For hedging future forecast transactions, it is highly probable that the transaction will occur.

As regards hedge accounting, the Bank additionally used the option under IFRS 9 to continue applying the existing requirements for hedge accounting pursuant to IAS 39.

If a derivative hedges an exposure to changes in the fair value of recorded assets and liabilities or of legally-enforceable firm commitments, the hedged item is revaluated to change in fair value due to the hedged risk. Gains (losses) on the re-measurement of an interest-bearing hedged item and hedging derivative are recognised in the income statement in *“Net income from hedging against risk of changes in fair value”*. Realised interest income and expenses are reported on a net basis in *“Interest income”* or *“Interest expense”*.

If a derivative hedges an exposure to the variability of cash flows related to recognised assets and liabilities or expected transactions, the effective part of the hedge (change in fair value of the hedging derivative) is recognised in other comprehensive income in equity item *“Reserve funds from revaluation”*. The ineffective part of the hedge is recognised in the income statement.

If the hedging of expected transactions results in the recording of an asset or liability, the cumulative gains or losses from the revaluation of the hedging derivative previously recognised in other comprehensive income are transferred to the income statement at the same time as the hedged item affects the net profit or loss.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss recognised in other comprehensive income remains in equity and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss previously recognised in other comprehensive income is immediately recognised in the income statement.

*“Macro hedging”* – IAS 39 allows financial assets and liabilities hedge against interest rate fluctuations to be not only a single asset or liability but also a monetary position contained in a number of financial assets or liabilities (or parts of them). Accordingly, a group of derivatives can be used to offset fair-value fluctuations in hedged items due to changes in market rates.

The Bank applies macro hedging to some financial assets and some financial liabilities. Net changes, gains or losses, in the fair value of the macro-hedged assets or liabilities attributable to the hedged risk are recognised in the asset or liability item respectively *“Changes in fair value of the portfolio of hedged instruments”* and offset the income statement item *“Net income/(loss) from hedging against risk of changes in fair value”*.

## 5. Repo transactions and reverse repo transactions

Securities sold under an agreement to repurchase them at a specified future date are also known as *“repo transactions”* or *“sale and repurchase agreements”*. Securities sold in such transactions are not derecognised from the statement of financial position, as the Bank retains substantially all the risks and rewards of ownership, as the securities are repurchased at a fixed price when the repo transaction ends. Financial assets transferred to another counterparty under a repo transaction are measured in accordance with the appropriate accounting policy for such financial asset.

Securities sold under a repo transaction are recorded as assets in the line *“Financial assets at fair value through other comprehensive income”* or in the line *“Financial assets at fair value through profit*



or loss: *Held for trading*”, and received loan, including accrued interest, is included in the line “*Financial liabilities at amortised cost: Deposits from banks*” or in the line “*Financial liabilities at amortised cost: Deposits from customers*”.

Debt securities purchased under agreements to purchase and resell at a specified future date, also known as “*reverse repos*” are not recorded in the Bank’s statement of financial position but are presented in the off-balance sheet. The consideration paid (provided loan), including accrued interest, is recorded in the line “*Financial assets at amortised cost: Loans and advances to banks*” or in the line “*Financial assets at amortised cost: Loans and advances to customers*”.

The difference between the sale and repurchase considerations for both repo and reverse repo transactions are recognised on an accrual basis over the period of the transaction using the EIR and are recognised in the income statement in “*Interest income*” or “*Interest expense*”.

For sale of a security acquired from a reverse repo, the Bank derecognises the securities acquired from off-balance sheet and records a payable from a “*short sale*”, which is revalued to fair value, in the statement of financial position. This payable is reported under “*Financial liabilities at fair value through profit or loss: Held for trading*”, with any gains and losses recorded in the item “*Net income/(loss) from trading*”.

“Sell-buy” and “Buy-Sell” transactions are accounted for in the same way as “*repo transactions*” and “*reverse repos*”.

## 6. Borrowing and Lending of Securities

Financial assets lent under securities lending arrangements continue to be recognised in the statement of financial position if the risks and rewards of ownership are retained by the Bank and are measured in accordance with the appropriate accounting policy for such financial assets.

Financial assets borrowed under securities borrowing agreements are not recognised in the Bank’s statement of financial position but are presented in off-balance sheet.

For sale of a security acquired on the basis of securities borrowing arrangements, the Bank derecognises the securities acquired from off-balance sheet and records a payable from a short-term sale, which is revalued to fair value, in the statement of financial position. This payable is reported under “*Financial liabilities at fair value through profit or loss: Held for trading*”, with any gains and losses recorded in the item “*Net income/(loss) from trading*”.

Income and expenses arising from the borrowing and lending of securities are recognised on an accrual basis over the period of the

transactions in the item “*Fee and commission income*” or “*Fee and commission expenses*”.

## 7. Offsetting

Financial assets and liabilities may be offset against each other, and the net amount is reported in the statement of financial position when the Bank has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis. In the current and comparative period the Bank does not offset any financial assets and financial liabilities.

## 8. Cash and cash balances

Cash comprises cash in hand and cash in transit. Cash equivalents are short-term (with maturity of three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment purposes.

“*Cash and cash balances*” are carried at cost in the statement of financial position.

“*Cash and cash balances*” includes cash balances, cash advances and other on-demand deposits and the compulsory minimum reserve with the Czech National Bank, National Bank of Slovakia and commercial banks.

The compulsory minimum reserve held at the Czech National Bank and at the National Bank of Slovakia is a required deposit which must be held by all commercial banks licensed in the Czech Republic and in Slovakia respectively. This deposit can be disposed freely, provided that the average amount of reserves calculated by the CNB or the NBS in a given maintenance period is respected.

## 9. Equity Investments

Equity investments are equity instruments and consequently defined as financial instruments under IAS32. These are presented in the item “*Equity investments*” and are measured at cost.

If there is evidence that an equity investment may have become impaired, its carrying value is compared with its recoverable value. If the recoverable value is less than the carrying value, the difference is recognised in the income statement, item “*Profit/(Loss) from equity investments*”. If the reasons for impairment are removed following a subsequent event occurring after the recognition of impairment, write-backs are made through the same income statement item.

Equity investments considered strategic investments not covered by the above definitions and not recognised in the item “*Non-current assets held for sale*” are classified as assets at fair value through other comprehensive income or financial assets mandatorily at fair value and accordingly treated.

## 10. Property and Equipment

Property and equipment are assets which may be used for a period longer than one year. The Bank has property and equipment to conduct its activities.

Property and equipment are initially recognised at cost including all costs directly attributable to bringing an asset into use.

After being recognised as an asset:

- Buildings and land used in the business (ruled by IAS 16 “Property, plant and equipment”) are measured according to the fair value model for the measurement subsequent to initial recognition;
- Tangible assets used in the business, other than buildings and land, are measured according to cost model.

### Buildings and land used in the business

The fair value model allows the Bank to represent the changes in value of the properties at the moment they arise, in compliance with the objectives of the adopted active management of the real estate portfolio. In this way, the recognition of capital gains and losses is not deferred at the time of sale of the real estate assets and is not influenced by the difference between market value (embedded in the sale price) and cost which, as stated, may no longer be meaningful if the acquisition of real estate assets did not take place recently.

In addition, the adoption of a fair value model allows a more accurate representation of the financial position of the Bank, as it represents the value of the real estate properties at a single reference date – the date of preparation of the financial statements. This avoids heterogeneity in valuation inherent in the cost model which reflects market conditions at different times, ie the purchase dates.

The differences between current fair value and the previous fair value are recognised:

- If negative,
  - in the other comprehensive income statement, and accumulated in equity under the item “*Reserve funds from revaluation*” to the extent it reverses a previous positive revaluation, or otherwise
  - in the income statement in the item “*Net income/(loss) on property and investment property measured at fair value*”,
- If positive,
  - in the income statement in the item “*Net income/(loss) on property and investment property measured at fair value*” to the extent it reverses a previous negative revaluation, or otherwise
  - in the other comprehensive income statement, and accumulated in equity under the item “*Reserve funds from revaluation*”.

The “*Reserve funds from revaluation*” is linearly transferred to the item “*Retained earnings and reserve funds*” over the residual life of the particular property used in business. In the event of the sale of the asset, the reserve not yet reversed will be reclassified to the item “*Retained earnings and reserve funds*”.

The pay out of the revaluation surplus to shareholders is restricted and is eligible only in the event of the disposal of property.

The fair value was determined on the basis of independent external valuations on a half-yearly basis (as at 30 June and 31 December).

Properties used in business, measured according to the IAS 16 revaluation model, continue to be depreciated using the straight-line method over their useful life from the higher revalued amount.

The useful life of properties used in business is reviewed at least at each financial year-end (i.e. 31 December) on the basis of an external independent opinion.

### Tangible assets used in the business

In the cost model, assets are stated at historical cost less accumulated depreciation and impairment.

### Depreciation, Impairment and Gains and losses on disposal

Depreciation is calculated using the straight-line method over the assets’ estimated useful lives. The depreciation periods (over the respective estimated useful lives) for individual categories of property and equipment are as follows:

- |   |   |
|---|---|
| • Buildings   | 20–50 years                               |
| • Technical improvement of buildings protected as cultural heritage | 15 years                                  |
| • Technical improvement of rented premises                          | 10 years or in accordance with a contract |
| • Air-conditioning equipment  | 5 years                                   |
| • Machinery and equipment   | 4–6 years                                 |
| • Bank vaults   | 20 years                                  |
| • Fixtures and fittings   | 5–6 years                                 |
| • Motor vehicles  | 4 years                                   |
| • IT equipment  | 4 years                                   |
| • Low value tangible assets   | 2–3 years                                 |

Tangible assets (including right of use assets) are assessed for potential impairment or a reduction in useful life. If events or changes in the conditions occur that could result in the carrying amount not being recoverable, the carrying amount is written down to the recoverable amount if the carrying amount is higher than the estimated recoverable value. The recoverable amount is the higher of fair value less costs of disposal and the value in use.

The gains and losses on disposal are determined based on the net book value and are included in the item “*Profit/(loss) from the sale*”.

of non-financial assets". The insignificant costs of repair, maintenance and technical improvement are expensed as they are incurred. Vice versa, major repairs and technical improvements are capitalised.

Property and equipment which the Bank intends to sell within 12 months, is classified as *"Non-current assets held for sale"*. Such property and equipment is reclassified at the lower of its carrying amount or its sales value less disposal costs. Profit or loss from the sale is presented in the item *"Profit/(loss) from the sale of non-financial assets"*.

## 11. Intangible Assets

Intangible assets are assets which may be used for a period longer than one year.

Intangible assets are stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated using the straight-line method over the assets' estimated useful lives. The depreciation period (over respective estimated useful lives) for intangible assets is as follows:

- Software and intangible assets 2–7 years or in accordance with a contract

Intangible assets are assessed for potential impairment or a reduction in useful life. If events or changes in the conditions occur that could result in the carrying amount not being recoverable, the carrying amount is written down to the recoverable amount if the carrying amount is higher than the estimated recoverable value. The recoverable amount is the higher of fair value less costs of disposal and the value in use.

## 12. Leases

Leases accounting policies are based on the standard IFRS 16 "Leases".

### a) Provided Finance Lease

A lease is classified as a finance lease if it transfers to the lessee substantially all the risks and rewards of ownership.

Receivables from finance leases are reported as equal to the net investment in the lease upon receipt of the leased asset by the customer. The sum of future minimum lease instalments and initial fees for the provision of the lease equal to the gross investment in the lease (as finance lease contracts include a clause on purchase at the end of the lease period, there is no unsecured net book value).

The difference between the gross and net investment in the lease represents deferred financial income reported as interest income over the lease period with the constant periodic profitability of the

net investment in the finance lease. The amounts received from the lessee reduce the net investment.

Bank receivables from finance leases include the cost of assets leased under finance leases in contracts where the asset has been already acquired, but the finance lease contract was not capitalised at the balance sheet date.

Significant contractual conditions for finance leases are as follows:

- The subject of the lease is specified in the text of the lease contract or in the acceptance certificate (part of the lease contract);
- The duration of the lease begins on the day of the acceptance of the subject of the lease by the lessee and ends upon the expiration of the agreed lease term;
- The lessee is authorised to purchase the subject of the lease from the lessor;
- The subject of the lease remains in the exclusive ownership of the lessor throughout the duration of the lease. The ownership is transferred to the lessee/buyer on the day the purchase price as per the purchase agreement is credited to the lessor's account;
- The purchase price and all amounts in the lease contract are net of VAT. The VAT rate is set by law and is indicated separately in invoices;
- The consideration for the lease includes an extraordinary lease payment, contractual flat fee (e.g. the processing and administration of the lease contract) and the number of lease payments indicated by the contract and calculated from the acquisition cost (in CZK or a foreign currency);
- The subject of the lease must be insured throughout the lease term; and
- The lessor may prematurely terminate the lease contract at any time without a notice period by withdrawal or by a notice with immediate effect if the lessee significantly breaches or fails to meet the obligations and commitments arising from the lease contract. In such a case, the lessee is obliged to make all the remaining lease payments to the lessor in line with the payment calendar. Payments are due upon the premature termination of the lease contract.

The finance lease receivables are presented in the item *"Financial assets at amortised cost: Loans and advances to customers"*.

### b) Provided Operating Leases

Other leases are classified as operating leases. The leased asset continues to be owned by the lease company after the termination of the lease contract.

Income from operating leases is reported in *"Other operating income and expenses"*.

### c) Received Leases

IFRS 16 requires that a lessee recognises an asset, representing the right of use of the underlying asset, and at the same time, a liability reflecting future payments of the lease contract for all of the leasing types.

At initial recognition, such an asset is measured on the basis of the lease contract cash flows which include, in addition to the present value of lease payments, any initial direct cost attributable to the lease, lease payments paid before the commencement date and any other costs required to dismantle/remove the underlying asset at the end of the contract and is decreased by incentives received. Right of use assets are reported in the item *"Property, equipment and right of use assets"*.

After initial recognition, the right-of-use is measured on the basis of the provisions set for tangible assets applying the cost model less any accumulated depreciation and any accumulated impairment losses. The depreciation period is equal to the determined lease term.

Accumulated depreciation and any accumulated impairment losses are reported in the item *"Depreciation and impairment of property, equipment and right of use assets"*.

The Bank elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 January 2019. Instead, the Bank applied the standard only to contracts previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

In line with the standard, the Bank decided not to apply IFRS 16 for leases of intangible assets, short-term leases shorter than

12 months and leases with low-value underlying assets.

Related expenses are presented on an accrual basis in the item *"Administrative expenses"*.

To calculate the lease liability and related assets based on the right of use, the Bank discounts future lease payments using an appropriate discount rate. Lease payments are set for discounting in this respect based on contractual arrangements and net of VAT, as the obligation to pay this tax originates at the moment an invoice issued by the lessor and not as of the date of commencement of the lease contract.

To perform these calculations, payments must be discounted using the implicit interest rate based on the lease contract or, if this is not available, the incremental borrowing rate. This is determined based on the costs of financing a liability of similar duration and similar security to what is contained in the lease contract.

Details related to determining of lease term see part Determining lease term in the section IV. Critical Accounting Judgements, Estimates and Assumptions.

Lease liabilities are reported in the item *"Financial liabilities at amortised cost: Deposits from customers and lease liabilities"* based on the counterparty. After initial recognition, lease liabilities are increased by the interest expense calculated using the same interest rate used for the discounting of the relevant lease payments and decreased by the lease payments. The interest expense is reported in the item *"Interest expense"*.

The vast majority of right of use assets / lease liabilities is related to the Banks's headquarter and its branches.

A summary of amounts in relation to leases received under IFRS 16 as of 31 December 2024 and 31 December 2023 is presented in the following tables:

Statement of Comprehensive Income	Point in the section V. Other Notes	2024	2023
Depreciation of Right of use assets	18. Property, equipment and right of use assets	(357)	(333)
Interest expense	1. Net interest income	(65)	(57)

Statement of Financial Position	Point in the section V. Other Notes	31 Dec 2024	31 Dec 2023
Right of use assets	18. Property, equipment and right of use assets	1 861	2 027
Lease liabilities	23. Financial liabilities at amortised cost: Deposits from customers and lease liabilities	2 039	2 042

Lease modifications are changes in the term or condition of a lease contract that change the scope of the lease contract (e.g. by adding or decreasing assets under lease); the consideration to be paid; or the contractual lease term.

Lease modifications are accounted for as a separate lease contract which is additional to the original lease contract being modified if both of the following conditions are satisfied:

- the modification increase the scope of the lease by adding additional asset, and
- the lease payments are also increased so to reflect the market value of such increase in scope (possibly adjusted to take into account the specific feature of the specific lease contract).

On the contrary if the modification doesn't fulfill the condition above, modifications are accounted for by re-measuring the liability through discounting the revised lease payments for the revised lease term and applying the revised discount rate. The resulting adjustment to the lease liability is recognized by increasing/decreasing the right of use asset.

### 13. Provisions for Risks and Charges

Provisions for risks and charges relate to a probable outflow of an uncertain amount over an uncertain period of time. Provisions for risks and charges are recognised when:

- There is an obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources will be required to settle the obligation (probable means the probability exceeds 50%); and
- The amount of the obligation can be reliably estimated.

A restructuring provision is recognised when the following criteria are met:

- The Bank has prepared a detailed and formal restructuring plan;
- Those affected by the restructuring have a realistic expectation that the restructuring will take place as the implementation of the plan has commenced or its main features have been announced.

When creating provisions for off-balance sheet items, the Bank proceeds analogically as for the impairment losses on financial assets at amortised cost or financial assets at fair value through other comprehensive income, in line with IFRS 9 requirements.

The provisions for off-balance sheet items are recorded in the statement of financial position in the item *"Provisions for risks and charges"*.

### 14. Deferred Incentives

The Bank accounts for deferred incentives on an accrual basis. Related liability is recognised in the item *"Other liabilities"* against the income statement item *"Administrative expenses"*.

The Bank Incentive System and the Local Incentive System are applied to the identified positions. Payment of the bonus for the given period is spread out over a multiple-year period.

Based on the Bank Incentive System, the bonus payment is spread over 6 years (senior management) or 4 years (other identified staff). In each year, the bonus payment is conditional upon completion of the Compliance Assessment, Continuous Employment Condition and Clawback application, which confirm, reduce or entirely cancel the entitlement to a bonus payment. The incentives are paid partially in cash and partially in non-monetary instruments or shares.

Based on the Local Incentive System, the bonus payment is spread over 4 years. In each year, the bonus payment is conditional upon completion of the Compliance Assessment, Continuous Employment Condition and Clawback application, which confirm, reduce or entirely cancel the entitlement to bonus payment. The incentives are paid partially in cash and partially in non-monetary instruments.

### 15. Contingent Assets and Liabilities

A contingent liability is a possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Bank does not recognise contingent assets/liabilities in the statement of financial position, but regularly reviews their development to specify whether an inflow/outflow of resources embodying economic benefits has become probable. Where the likelihood of an outflow of economic benefits is higher than 50% (more likely than not), the Bank recognises a provision. Where the likelihood of an inflow of economic benefits is almost 100% (virtually certain), the Bank recognises an asset and revenue.

### 16. Interest Income and Interest Expense

Interest income and interest expense are recognised in the income statement in the period to which they relate, using the effective interest rate method. Interest income is recognised using the effective interest rate on financial assets measured at amortised cost, financial assets measured at FVTOCI. Interest expense is also calculated using the effective interest rate method for all financial liabilities at amortised cost.

Interest from loans and deposits is accrued on daily basis. Interest income and expenses include relevant transaction costs and the amortisation of any discount or premium between the initial carrying

amount of an instrument and its amount at maturity calculated on an effective interest rate basis.

Interest income on financial assets at amortised cost or at FVTOCI classified in stage 1 and 2 (ie performing assets) is calculated from the gross carrying amount (ie before allowances). Interest income on financial assets at amortised cost or at FVTOCI classified in stage 3 (ie credit impaired assets) is calculated from the net carrying amount (ie after allowances) using “unwinding”.

In the environment of negative interest rates, negative interest income is presented in interest expense and negative interest expense is presented in interest income.

Net interest income comprises interest income and interest expense calculated using the effective interest method and other methods. Interest income calculated using the effective interest method is disclosed separately in the income statement to provide symmetrical and comparable information.

## 17. Fee and Commission Income and Expenses

Fee and commission income and expenses consist of fees and commissions received/paid by the Bank for providing financial services, other than those related to the origination of a financial asset or liability, which form a part of the effective interest income/expenses.

Fees and commissions from financial services provided by the Bank, including payment services, brokerage services, investment advice and financial planning, investment banking services and asset management services.

Fees and commission income are accounted for in the income statement as the Bank satisfies the performance obligation embedded in the contract, according to “IFRS15 Revenue from Contracts with Customers” rules.

In particular:

- If the performance obligation is satisfied at a specific moment (“point in time”), the related revenue is recognised in the income statement when the service is provided;
- If the performance obligation is satisfied over-time, the related revenue is recognised in the income statement in order to reflect the progress of satisfaction of such obligation.

Transaction fees coming from securities transactions and payment services are typically booked at the point in time when the service is provided and immediately withdrawn from customer account.

Fees related to management, administration, deposit and custody services, account administration and payment cards are normally recognised over time during the term of the contract. The revenue

is measured on straight-line basis and is evenly distributed during the term of the contract as this method best depicts the Bank’s commitment to stand ready for fulfilment of customer requests. These services are mostly invoiced on regular basis (typically monthly), selected services are invoiced in advance.

Fees related to loans provided, other than those related to the origination, which form a part of the effective interest income, are either booked at the point in time when the service is provided or recognised over time during the term of the contract based on the type of services provided.

The amount of revenues linked to fee and commission income is determined based on contractual conditions. Variability that would have impact on amount that the Bank expects to receive is not usually foreseen for services provided by the Bank.

If a contract regards different goods/services which are not priced and charged on the stand-alone price level, the revenue is allocated among the different obligation proportionally to the stand-alone price of the single item delivered. These amounts will therefore be accounted for in the income statement on the basis of the timing of satisfaction of each obligation.

This circumstance, which is not significant, might happen in case of customer loyalty programs that require to provide goods or services for free, or by cashing-in a price not at market condition, if the client reaches a specific volume of fees, or in case of programs to acquire new customers that assign a bonus to the target (in the form of a product or a service) when it becomes a new client. The stand-alone selling prices for free-of-charge customer options are determined using the adjusted market assessment method. Contract liability given by the customer options is not material.

The Bank has decided, as practical expedient permitted under IFRS 15, not to disclose the amount of transaction price allocated to unsatisfied performance obligations related to fees and commissions from financial services. This is because the Bank does not typically contract respective services for period that would be enforceable longer than 12 months. The only significant contract with deferred revenue for longer period than 12 months (contract with non-refundable up-front fees not related to specific services transferred to customer and thus linearly amortised to the item “*Fee and Commission Income*” during live of the contract – 5 and 15 years respectively) is included in the item “*Other liabilities*” in amount of MCZK 461 as of 31 December 2024 (as of 31 December 2023 MCZK 410).

## 18. Dividend income

Dividend income is recognised in the income statement in “*Dividend income*” on the date the dividend is declared.



## 19. Taxation

Tax non-deductible expenses are added to and non-taxable income is deducted from the profit for the period pursuant to Czech Accounting Standards to arrive at the taxable income base in the Czech Republic, which is further adjusted by tax allowances and relevant credits. The tax payable (item “*Tax liabilities: Income tax*”) or receivable (item “*Tax receivables: Income tax*”) is calculated using the tax rate valid at the year-end and reported in the expected amount of the settlement with the tax authorities.

The income tax of entities based in Slovakia is calculated in line with the regulations applicable in the Slovak Republic.

Deferred tax is provided on all temporary differences between the carrying amounts of assets and liabilities for financial statement purposes and the amounts used for taxation purposes multiplied by the expected income tax rate for the period of the asset recovery or liability settlement, based on tax rates that have been enacted or substantially enacted. A deferred tax asset (item “*Tax receivables: Deferred tax*”) is only recognised to the extent that there are no doubts that there will be future taxable profits available against which this asset can be utilised. A deferred tax liability (item “*Tax liabilities: Deferred tax*”) is recognised for all taxable temporary differences.

Current and deferred taxes are recognised as income tax benefits or expenses in the income statement except for tax related to the fair value remeasurement of debt instruments at fair value through OCI, foreign exchange differences and the net movement on cash flow hedges, which are charged or credited to OCI.

These exceptions are subsequently reclassified from OCI to the income statement, together with the respective deferred loss or gain. The Bank also recognises the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

The Bank only offsets its deferred tax assets against liabilities when there is both a legal right to offset its current tax assets and liabilities and it is the Bank's intention to settle on a net basis.

## 20. Segment Reporting

*IFRS 8 Operating segments* states that presentation and reporting of operating segments shall be in accordance with performance criteria monitored by the chief operating decision-maker who is responsible for operational decisions. At the Bank, that decision-maker is the Board of Directors of the Bank.

The Bank's primary segment reporting is broken down by types of customers, which correspond to the Bank's various operations: retail and private banking, corporate and investment banking and other.

The performance of all the segments is monitored monthly by the Board of Directors and other members of the Bank's management. The reporting segments generate income primarily from the provision of loans and other banking products.

*Retail and private banking* encompasses in particular providing loans, mortgages, bank account maintenance, payment services (including payment cards), term and saving deposits, investment advisory services.

*Corporate and investment banking* include especially the following products and services: providing banking services to companies and public institutions, including loans, leasing, factoring, bank guarantees, account maintenance, payment services, opening documentary letters of credit, term deposits, derivative and foreign currency operations, and capital market activities inclusive of securities underwriting for customers, investment advisory, and consulting on mergers and acquisitions.

*Other* reporting segment includes banking services that are not included within the aforementioned segments.

## 21. Standards and Interpretations Effective in the Current Period

There are no new standards, amendments to the existing standards and new interpretation issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period.

## 22. Standards and Interpretations Published by the IASB, but not yet Effective

At the date of authorisation of these financial statements, there are following amendments to the existing standards issued by IASB and adopted by the EU but not yet effective:

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability** – Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. In some jurisdictions, no spot rate is available because a currency cannot be exchanged into another currency. IAS 21 was amended to clarify:
  - when a currency is exchangeable into another currency; and
  - how a company estimates a spot rate when a currency lacks exchangeability.

The amendments also include additional disclosure requirements to help users to assess the impact of using an estimated exchange rate on the financial statements. (Effective for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.)



## 23. New and amended IFRS standards issued by IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by IASB, except for the following new standards and amendments to the existing standards, which were not endorsed for use in the EU as at the date of publication of these financial statements (the effective dates stated below are for IFRS as issued by IASB):

- **Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments**

### *Settlement of liabilities through electronic payment systems*

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised.

Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

### *Classification of financial assets with ESG-linked features*

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial

assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

### *Contractually linked instruments (CLIs) and non-recourse features*

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

### *Disclosures on investments in equity instruments*

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI). (Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)

- **Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity** – The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements. The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.
- Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow.

(Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.)

- **IFRS 18 Presentation and Disclosure in Financial Statements**

- IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

### *A more structured statement of profit or loss*

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

#### *MPMs – Disclosed and subject to audit*

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

#### *Greater disaggregation of information*

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

#### *Other changes applicable to the primary financial statements*

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

#### *Transition*

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

(Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.)

#### • **IFRS 19 Subsidiaries without Public Accountability**

**Disclosures** – IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.

A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

(Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.)

#### • **Annual Improvements to IFRS Standards – Volume 11**

– In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards (IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures; IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows). The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

(Effective for annual reporting periods on or after 1 January 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied).

#### • **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures**

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date deferred indefinitely)

The Bank anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the Bank's financial statements in the period of initial application. In the case of IFRS 18 The Bank is in the process of assessment of the potential impact on its financial statements resulting from the application of IFRS 18.

Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated. According to the Bank's estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to IAS 39: “Financial Instruments: Recognition and Measurement” would not significantly impact the financial statements if applied as at the balance sheet date.

## IV. Critical accounting judgments, estimates and assumptions

These disclosures supplement the commentary on financial risk management (see section V. Other Notes, point 35. Financial Risk Management).

The presentation of the financial statements in conformity with IFRS requires Bank management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. These estimates, which relate to the determination of fair values of financial instruments (where no public market exists), impairment of assets and provisions and other areas, are based on the information available at the balance sheet date.

### ***Impact of climate-related matters***

Climate change is impacting both society and companies alike. The Bank is considering the impact of climate change on its business model, risk strategy, and also the effect on its financial statements.

Climate-related matters may affect the Bank's exposure to credit losses due to environmental disasters, regulatory change or a borrower's ability to meet its obligations to the Bank. Subsequently, these may have impact on ECL and/or collateral valuation. Management carefully reviews these risks.

Climate-related matters may affect also the classification and measurement of loans as lenders may include terms linking contractual cash flows to an entity's achievement of climate-related targets. In this respect, the Bank assesses whether the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### ***Business model assessment***

The classification of financial assets is driven by the business model. Management applies judgment when determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the Bank considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity.

### ***Assessment of whether cash flows are solely payments of principal and interest***

Judgment is required to determine whether a financial asset's cash flows are solely payments of principal and interest and whether they are in line with the SPPI test. Judgment is required to assess whether risks and volatility of contractual cash flows are related to the basic lending arrangement. Features that require judgments include the modification of time value of money, assessment of whether prepayment fees

applied to loans can be considered as a reasonable compensation for early terminations or prepayments.

### ***Impairment of financial assets***

Financial assets accounted for at amortised cost and at fair value recognised through other comprehensive income (except for the FVTOCI option), lease receivables, trade receivables and loan commitments and financial guarantees (not accounted at FVTPL) are subject to impairment under ECL model. Impairment is determined in the amount of 12-month (or shorter depending on the instrument's maturity) expected credit loss for assets that have not experienced a significant increase in credit risk since initial recognition, and in the amount of lifetime expected losses for assets which have experienced a significant increase in credit risk since initial recognition or which are impaired. When assessing impairment, the return on financial assets is evaluated separately using the best possible estimate of the present value of future cash flows that are expected to be received. When estimating these cash flows, the Bank management makes judgments about the debtor's financial situation and the net realisable value of any underlying collateral.

The creation of impairment allowances for expected credit losses and identified financial guarantee contracts and loan commitments involves many uncertainties concerning the outcomes of the risks stated above and requires Bank management to make many subjective assessments when estimating the amount of losses. Measurement of impairment allowances for expected credit losses for financial assets of amortised cost and at fair value through other comprehensive income requires the application of models and significant judgments regarding future economic conditions and credit behaviour. Given current economic conditions, the result of estimates may differ from the impairment provisions recognised as at 31 December 2024 that are reported in *items "Impairment losses on: Financial assets at amortised cost", "Impairment losses on: Financial assets at fair value through other comprehensive income" and "Net provisions for risks and charges: Loan commitments and financial guarantees given"*.

### ***Inclusion of Forward-Looking Information (hereinafter "FLI")***

#### **1. Macroeconomic Multiscenario Overlay Factor**

The IFRS 9 impairment requirements set out that expected credit loss must be assessed based on past, current and forward-looking information. In this regard, the Group usually updates macroeconomic scenarios on a half year basis and account for the related effects in half year and year-end financial reports. In line with this usual practice, an update has been made also before year-end 2024.

The Bank creates various favourable scenarios of future development and assigns probability weights to individual scenarios and result of this activity is the so-called multiscenario overlay factor which includes in the calculation the sensitivity of the Expected Credit Loss ("ECL") development in different scenarios. Specifically, the Bank has selected three macroeconomic scenarios to determine the forward-

looking component: a baseline, positive and adverse scenario. The baseline scenario is the reference scenario and therefore is the most probable realization. Adverse scenario represents possible alternative realization, worse one compared to the baseline in terms of evolution of the economy. Opposite scenario is the positive one. Considering the persisting uncertainty, the baseline scenario weight is set to 60%, positive to 5%, while the negative scenario slightly decreased to 35%.

Scenarios are created by an independent department in accordance with UniCredit group forecasting rules.

#### *a) IFRS9 Baseline Scenario*

The Baseline scenario reflects moderate GDP growth in Eurozone in 2024, impacted by weak manufacturing sector. Private consumption will remain the biggest growth driver, while investment will contribute more to growth in 2025, especially if public investment picks up with the help of more EU funds. Labor markets have remained tight, supported by strong domestic demand. CEE governments have limited fiscal space to stimulate growth in this case as they are expected to tighten their budget deficits. Further growth improvements generally expected in CEE countries from 2025. Except Czechia which might be one of the more vulnerable CEE economies as their shares of exports to Germany are highest (at more than 30%) and the German economy has been underperforming due to its large manufacturing sector and significant exposure to China.

Disinflation in CEE overall may stall in 4Q24 but resume next year, which together with declining core market rates creates space for central banks in the region to cut rates. Disinflation stalled in most CEE economies during the summer as the supportive impact of food prices started to decline. Fiscal risks and the divergence between goods and services inflation justify a cautious approach.

Inflation will be higher in 2025 vs. 2024 in some countries, mainly in Slovakia (impacted by disruptions in raw material supplies from Russia via Ukraine).

In terms of policy rates, Central banks in the region are in different phases of monetary policy loosening. While we expect the CNB (Czech National Bank) to already reach its terminal rate in 1H25 (cut to 4% in 2024; to 3.5% in 2025). ECB Deposit Facility Rate (DFR) @300 bps YE24, with a further ECB cut assumed in Dec24; DFR to reach a terminal level of 2% in September 2025. 3M Euribor avg @227 bps in 2025.

Several risks to the outlook: US election-related impacts, commodity prices and developments in the Middle East and disruption to trade flows. Current scenario assumes that only part of US President-elect Donald Trump's agenda will be implemented, fresh tariffs are likely to weight on global manufacturing as they dampen trade, affect sentiment and cloud the outlook for capex.

#### *b) IFRS9 Negative Scenario – "ICAAP Recession Scenario"*

In this scenario, we assume that an intensification of geopolitical tensions in the Middle East and Ukraine pushes up the price of oil and natural gas, while causing shortages and delays in delivery times as pressure on supply chains builds. The negative supply shock hits western economies when activity is already weak (eurozone) or is about to decelerate (US) due to restrictive monetary policy. The shock tips the eurozone into a recession, given its openness and geographical proximity, while the US is less affected. In the eurozone, the contraction in GDP causes a marked increase in unemployment as firms face shrinking margins and can no longer afford to hoard labor. The output gap turns deeply negative and underlying price pressures weaken fast, more than offsetting the impulse from supply shocks. In turn, weaker demand eases the pressure on energy prices and supply chains. We assume that disinflationary forces prevail overall, leading central banks to cut interest rates more aggressively than in the baseline scenario. In terms of timing, we assume that the shock starts in 2025. In the eurozone, activity starts contracting in 2025 (–0.6%) and the recession deepens in 2026 (–1.3%). This is followed by a tentative recovery in 2027 (+0.5%) as rate cuts feed through while supply-side shocks fade. The cumulative hit to GDP growth is 4.8pp.

Eurozone inflation declines below the ECB's 2% goal throughout the forecast horizon, as the effects of demand weakness and a widening of the output gap prevail over supply-side shocks. Overall, inflation settles a cumulative 1pp below the baseline. Inflation expectations drift lower, increasing pressure on the ECB to cut rates swiftly.

The ECB cuts rates aggressively, lowering the deposit rates to 1.25% by the end of 2025 and to 1.0% by end-2026, hence pushing rates below the level that we regard as neutral. Monetary policy would then remain unchanged in 2027. The Fed funds rate falls to 2.75% by the end of 2025 and bottoms out at 2.50% in 2026–27. Given the negative shock to growth, which leads the ECB to ease more than in the baseline, we expect yields on core curves to be lower compared to the baseline. The deviation relative to the baseline is expected to be somewhat higher in the first year.

The increase in uncertainty surrounding the economic outlook, coupled with significant deterioration in risk appetite, is expected to keep demand for safe assets strong, driving higher spreads (widening pressure).

Equity markets are expected to post significant losses, of about 15–30%, reflecting the recessionary environment. We project in this scenario that equity returns could be up to 30pp lower than our baseline. We pencil in a modest recovery of equities in the final part of the horizon, as the growth shock fades.

In FX, we expect the EUR to come under pressure given the growth shock is more severe for the eurozone than the US and amid a generalized increase in risk aversion. We pencil in an 15% depreciation against the USD in 2025 and 13% in 2026.

In this scenario, oil price is expected to rise by ca. 15% in 2025 compared to the baseline, with the shock seen fading over the following two years when the price drops below the baseline scenario amid weak economic activity. Gold and precious metals are also expected to rise modestly due to risk aversion and safe haven demand. The deviation relative to the baseline is expected to be moderate.

From the macroeconomic point of view, the growth shock will also hit countries of Central and Eastern Europe. On average half of cumulative growth shocks will come from the spillovers from the eurozone while the rest is caused by country-specific factors. We assume a higher unemployment rate in particular in 2026 and 2027 compared to the baseline. Similarly to the euro area, we assume the shock to be disinflationary.

From the interest rates point of view in CEE, we assume short-term rates to be lower compared to the baseline in all years as central banks reduce interest rates to counter the impact of the shock on the economy and inflation returns to target. Falling inflation and recovery in growth could help yields decline in particular in 2027, although they will likely remain higher compared to the levels in the baseline. Thus, in this scenario we expect CEE yields curves to steepen faster than in the baseline scenario.

Currencies with flexible exchange rates are at more depreciated level compared to the baseline in all years due to the risk-off environment. The depreciation pressure on CZK could be more pronounced than others due to higher trade exposure to the eurozone and free-floating currencies.

#### *c) IFRS9 Positive Scenario*

In the US, Trade policies turn out to be less aggressive than expected, while the combination of fiscal stimulus and deregulation fuel strong economic growth. A de-escalation of geopolitical tensions reduces uncertainty, fostering a more favourable global economic climate. Businesses regain confidence in long-term planning, and consumers feel secure in their financial prospects. This stability encourages robust economic activity and strengthens global trade networks.

The combination of improved consumer spending, robust investment, and proactive monetary tightening creates a balanced growth environment. Inflation is contained without unnecessarily dampening demand, and central banks successfully guide the economy toward sustainable expansion. The interplay between fiscal and monetary policies enhances resilience, while global trade stability supports a synchronized international recovery.

In this scenario, we further assume economic growth in the Eurozone accelerates gradually, reaching 1.5% in 2025, 2.2% in 2026, and 1.8% in 2027. This growth is supported by robust consumer spending, improved labor market conditions, and increased corporate investment as a response to lower-than-expected trade barriers and improved global demand.

Inflation remains contained, averaging around 2% annually, consistent with the European Central Bank's (ECB) target. Stabilizing energy prices and enhanced supply chains contribute to subdued price pressures, while rising wages support consumption without significantly overheating the economy.

The ECB adopts a measured tightening stance, raising interest rates incrementally to balance growth and inflation control. Cumulatively 3M Euribor remains approximately 100 basis points above the values of baseline, ensuring credit remains accessible while containing demand-driven price pressures.

The euro appreciates moderately against the U.S. dollar, driven by stronger economic fundamentals in the Eurozone and reduced global risks. The EUR/USD exchange rate stabilizes between 1.10 and 1.15, supporting exporters while ensuring manageable import costs.

Credit conditions remain favourable, with corporate bond spreads narrowing due to stronger business fundamentals and improved investor confidence. Default rates stay low as firms benefit from higher revenues and stable borrowing conditions.

Equity markets in Western economies exhibit steady growth, with indices like the Euro Stoxx 50 achieving average annual gains of 15–20%. Sectors tied to technology, green energy, and infrastructure investments outperform, reflecting strategic priorities in the post-uncertainty environment.

The CEE region experiences robust GDP growth exceeding 3% annually in average from 2025 to 2027 (+2.6 pts above the baseline), fuelled by stronger trade integration with Western Europe, increased foreign direct investments, and expanded EU structural funds targeting infrastructure and innovation.

Inflation in CEE countries moderate to 3–4% annually, reflecting improved supply chain efficiencies and stable energy prices. Governments successfully manage localized inflationary pressures through targeted fiscal measures and investment in domestic energy production.

Central banks in the region adopt a gradual normalization of interest rates, keeping them by 50–100 basis points above the baseline over three years. While maintaining a pro-growth stance, policymakers focus on ensuring macroeconomic stability and continued foreign investment inflows.

Currencies in the CEE region is stable against both the euro and the dollar, reflecting robust economic performance and investor confidence. Esp. CZK remain stable with reduced volatility, creating a favourable environment for businesses and trade.

In case of Stage 1, Stage 2 and Stage 3 – collective final expected credit loss is calculated using weighted average of ECLs under above mentioned scenarios.



See below overview of mentioned scenarios and its cumulative impact.

For “FLI deltas”, which are used to include future projection within PD and LGD parameters, are used models based on macroeconomic

factors from the table below. Real GDP, Monthly wage, Unemployment rate, average short term rate (3M Euribor for Slovakia), exchange rates to EUR and USD) and yearly change of House Price Index are used within the model.

		Baseline scenario (60 %)		
Country	Macroeconomic scenario	2025	2026	2027
Czech Rep.	Real GDP, year to year change in %	2,3	2,4	2,5
Czech Rep.	Inflation (CPI), at the end of period	2,8	2,4	2,5
Czech Rep.	Inflation (CPI), on average	3	2,5	2,5
Czech Rep.	Monthly wage, nominal in EUR	1 983	2 107	2 203
Czech Rep.	Unemployment rate in %	3,7	3,6	3,4
Czech Rep.	Reference rate, at the end of period	3,5	3,5	3,5
Czech Rep.	FX rate to EUR, at the end of period	24,7	24,7	24,7
Czech Rep.	FX rate to EUR, on average	24,9	24,7	24,7
Czech Rep.	FX rate to USD, at the end of period	22,1	21,8	21,5
Czech Rep.	FX rate to USD, on average	22,4	22,0	21,7
Czech Rep.	Short term interest rate, at the end of period	3,6	3,6	3,6
Czech Rep.	Short term interest rate, on average	3,8	3,6	3,6
Czech Rep.	Long term interest rate (10 years)	4,1	4,1	4,1
Czech Rep.	House Price index, year to year change in %	5,0	4,0	4,0
Slovakia	Real GDP, year to year change in %	1,6	2,1	1,7
Slovakia	Inflation (CPI), at the end of period	5,0	2,3	2,2
Slovakia	Inflation (CPI), on average	5,1	2,7	2,2
Slovakia	Monthly wage, nominal in EUR	1 616	1 703	1 791
Slovakia	Unemployment rate in %	5,2	4,9	4,7
Slovakia	FX rate EUR to USD, at the end of period	1,12	1,13	1,15
Slovakia	FX rate EUR to USD, on average	1,11	1,12	1,14
Slovakia	Short term interest rate, Euribor 3m, at the end of period	2,0	2,0	2,0
Slovakia	Short term interest rate, Euribor 3m, on average	2,3	2,0	2,0
Slovakia	Long term interest rate (10 years)	3,6	3,6	3,6
Slovakia	Long term interest rate (10 years) in Eurozone	2,4	2,4	2,5
Slovakia	House Price index, year to year change in %	5,1	4,3	4,1
		Negative scenario (35 %)		
Czech Rep.	Real GDP, year to year change in %	0,5	(0,6)	1,5
Czech Rep.	Inflation (CPI), at the end of period	2,7	2,1	2,5
Czech Rep.	Inflation (CPI), on average	2,9	2,3	2,3
Czech Rep.	Monthly wage, nominal in EUR	1796	1788	1849
Czech Rep.	Unemployment rate in %	3,7	4,8	4,5
Czech Rep.	Reference rate, at the end of period	3,0	2,8	2,8
Czech Rep.	FX rate to EUR, at the end of period	25,9	25,8	25,7
Czech Rep.	FX rate to EUR, on average	25,5	25,9	25,8
Czech Rep.	FX rate to USD, at the end of period	27,3	26,1	25,3
Czech Rep.	FX rate to USD, on average	24,8	26,7	25,7
Czech Rep.	Short term interest rate, at the end of period	3,1	2,9	2,9
Czech Rep.	Short term interest rate, on average	3,5	3,0	2,9
Czech Rep.	Long term interest rate (10 years)	4,1	4,4	4,1
Czech Rep.	House Price index, year to year change in %	3,9	1,3	3,7
Slovakia	Real GDP, year to year change in %	(0,2)	(0,9)	0,7
Slovakia	Inflation (CPI), at the end of period	4,7	1,7	2,1
Slovakia	Inflation (CPI), on average	5,0	2,2	1,9
Slovakia	Monthly wage, nominal in EUR	1516	1540	1580
Slovakia	Unemployment rate in %	5,8	6,3	6,1
Slovakia	FX rate EUR to USD, at the end of period	0,95	0,99	1,01
Slovakia	FX rate EUR to USD, on average	1,03	0,97	1,00
Slovakia	Short term interest rate, Euribor 3m, at the end of period	1,3	1,0	1,0
Slovakia	Short term interest rate, Euribor 3m, on average	1,9	1,1	1,0
Slovakia	Long term interest rate (10 years)	3,7	3,8	3,7
Slovakia	Long term interest rate (10 years) in Eurozone	1,5	1,7	1,7
Slovakia	House Price index, year to year change in %	4,0	1,6	3,9

		Positive scenario (5%)		
Country	Macroeconomic scenario	2025	2026	2027
Czech Rep.	Real GDP, year to year change in %	3,1	3,7	3,2
Czech Rep.	Inflation (CPI), at the end of period	3,2	2,4	2,6
Czech Rep.	Inflation (CPI), on average	3,2	2,7	2,6
Czech Rep.	Monthly wage, nominal in EUR	2005	2193	2313
Czech Rep.	Unemployment rate in %	3,5	3,2	2,9
Czech Rep.	Reference rate, at the end of period	4,0	4,0	4,0
Czech Rep.	FX rate to EUR, at the end of period	24,1	24,2	24,2
Czech Rep.	FX rate to EUR, on average	24,5	24,1	24,2
Czech Rep.	FX rate to USD, at the end of period	21,5	21,4	21,1
Czech Rep.	FX rate to USD, on average	22,1	21,4	21,2
Czech Rep.	Short term interest rate, at the end of period	3,6	3,6	3,6
Czech Rep.	Short term interest rate, on average	3,8	3,6	3,6
Czech Rep.	Long term interest rate (10 years)	4,6	4,6	4,6
Czech Rep.	House Price index, year to year change in %	5,3	4,5	4,5
Slovakia	Real GDP, year to year change in %	2,3	3,4	2,4
Slovakia	Inflation (CPI), at the end of period	5,6	2,3	2,3
Slovakia	Inflation (CPI), on average	5,4	3,0	2,3
Slovakia	Monthly wage, nominal in EUR	1645	1755	1837
Slovakia	Unemployment rate in %	5,1	4,4	4,2
Slovakia	FX rate EUR to USD, at the end of period	1,12	1,13	1,15
Slovakia	FX rate EUR to USD, on average	1,11	1,12	1,14
Slovakia	Short term interest rate, Euribor 3m, at the end of period	2,0	2,0	2,0
Slovakia	Short term interest rate, Euribor 3m, on average	2,3	2,0	2,0
Slovakia	Long term interest rate (10 years)	4,1	4,3	4,2
Slovakia	Long term interest rate (10 years) in Eurozone	2,9	3,1	3,1
Slovakia	House Price index, year to year change in %	5,3	4,8	4,7

#### d) Sensitivity analysis

Since GDP forecast stated in the above-mentioned scenarios is assumed not to be linearly correlated to the ECL, it was agreed to provide two sensitivities based on opposite GDP assumptions:

- ECL sensitivity considering an upside scenario (i.e. the positive IFRS9 scenario), and
- ECL sensitivity considering based on a downside scenario (i.e. the negative IFRS9 scenario).

The sensitivity is calculated as ratio between:

- the difference between the ECL estimated under the under the baseline and alternative scenario;
- the GDP deviations (on 3 years cumulative basis) between the baseline and alternative scenarios (in % points).

The 3-years cumulated GDP growth (country specific) is calculated similarly as compound interest:

$$((1 + \%GDP_{2025})(1 + \%GDP_{2026})(1 + \%GDP_{2027}) - 1).$$

The Implied assumptions are:

- GDP forecast (over 3 years) is assumed to be the most relevant economic factor as indicator of scenario severity;
- for each Legal Entity the GDP of the reference country is considered for the calculation of the respective sensitivity.

Country	Cumulated 3-year GDP		ECL Amount in MCZK		% ECL Diff (Negative – Baseline) / Baseline		% ECL Sensitivity vs 3-year cum. GDP Increase of ECL for each 1 GDP point drop
	Baseline	Negative	GDP Diff Negative – Baseline	Baseline	Negative		
<b>Czech Rep.</b>	7,37	1,44	(5,94)	2 012	2 110	4,9%	0,8%
<b>Slovakia</b>	5,46	(0,40)	(5,86)	888	987	11,2%	1,9%

Results of comparison between baseline and negative scenarios show that each 1 GDP point drop in 3-year cumulative GDP would cause increase of ECL by 0,8% on Czech Republic, resp. 1,9% increase on Slovak, portfolio.



Country	Cumulated 3-year GDP		ECL Amount in MCZK			% ECL Sensitivity vs 3-year cum. GDP	
	Baseline	Positive	GDP Diff Positive – Baseline	Baseline	Positive	% ECL Diff (Positive – Baseline) / Baseline	Increase of ECL for each 1 GDP point rise
<b>Czech Rep.</b>	7,37	10,26	2,89	2 012	1 979	(1,6%)	(0,6%)
<b>Slovakia</b>	5,46	8,31	2,85	888	848	(4,4%)	(1,5%)

Results of comparison between baseline and positive scenarios show that each 1 GDP point rise in 3-year cumulative GDP would cause decrease of ECL by 0,6% on Czech Republic, resp. 1,5% decrease on Slovak, portfolio.

## 2. Inclusion of Specific Factors

Considering actual and expected factors with realization date shortly after the beginning of 2025 financial year, the Group decided already for 2024 to reassess its models for impairment losses on receivables and recognize this impact in the income statement of 2024, specifically:

- a) In order to factor in the LLP the effect of **geopolitical risks** incl. high rise in energy costs for corporate segments and the high interest rates for private individuals, thus complementing the inclusion of the current and forward-looking macroeconomic conditions as per ordinary framework, **specific factor of geopolitical uncertainties** is used. All other specific factors related to macro-economic contingency (Supply Chain Risk, Interest Rate Risk) applied were reconvened into this unique specific factor, to quantify LLP by transiting from the previous context, supply chain bottleneck crises, to the new one based on energy crises and higher inflation/interest rates spilled over from Russia-Ukraine crises outbreak. The provisions increase amounts to MCZK 1 863 (split on MCZK 1 612 on Corporate and MCZK 251 on Retail).
- b) Based on updated methodology for consideration of possible delay on payments the bank started to implement parameter called **“Overdue factor”** into the LLP tool which is scheduled for year 2025. To consider the expected negative impact in amount of MCZK 72 which results from this adjustment, the bank decided to book the increase of provisions to Corporate portfolio in amount of MCZK 54 and to Retail in amount of MCZK 18 into the financial statement of the year 2024.
- c) To consider risks resulting from **Climate & Environmental** area like the physical risk and the transitional risk the bank is going to implement additional parameters into the PD and LGD during year 2025. The estimated negative impact from this kind of risk amounts to MCZK 141 which is related to Corporate portfolio was considered as the increase of the standard expected credit lost in year 2024.

### Determining Fair Values

Determining fair value of financial assets and liabilities for which there are no observable market prices requires the use of valuation

techniques as described in accounting policy, section III. Material Accounting Policies, point 3. Fair Value Measurement Principles. For financial instruments that trade infrequently and have low price transparency, fair value is less objective and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

### Determining lease term

To determine the duration of a lease, it is necessary to take into account the non-cancellable period set in the contract when the lessee is entitled to use the underlying asset, while taking into account the possibility of an extension if the lessee is reasonably certain to use the possibility of extension.

Especially for contracts that allow the extension of the lease contract after the end of the first period without the need to explicitly express the intention to use this extension, the period is determined with respect to factors such as the length of the first period, existence of plans to change the use of/abandon the asset and any other circumstances with an impact on the reasonable certainty of the extension of the lease contract.

After the commencement date, the Bank reassesses the lease term if there is a significant event or change in circumstances that is under its control and affects its ability to exercise or not exercise the option to renew or to terminate.

### Hedge Accounting

When designating financial instruments as qualifying hedge relationships, the Bank has determined that it expects a hedge to be highly effective over the life of the hedging instrument.

When accounting for derivatives as cash flow hedges, the Bank has determined that the hedged cash flow exposure relates to highly probable future cash flows.

### Provisions for liabilities

The amounts recognised as provisions are based on management's judgment and represent the best estimate of expenses needed to settle a liability of uncertain timing or uncertain amount.

## V. Other notes

### 1. Net interest income

	2024	2023
<b>Interest income</b>		
Financial assets at amortised cost:	38 874	41 817
Loans and advances to central banks	9 541	14 740
Loans and advances to banks	1 243	1 503
Loans and advances to customers	28 090	25 574
Financial assets at fair value through other comprehensive income	2 007	1 562
<b>Interest income calculated using the effective interest method</b>	<b>40 881</b>	<b>43 379</b>
Hedging derivatives	(5 996)	(8 420)
<b>Effect of hedging derivatives</b>	<b>(5 996)</b>	<b>(8 420)</b>
Other assets	42	534
<b>Other interest income</b>	<b>42</b>	<b>534</b>
<b>Interest income</b>	<b>34 927</b>	<b>35 493</b>
<b>Interest expense</b>		
Financial liabilities at amortised cost:	(24 264)	(27 281)
Deposits from central banks	(35)	(583)
Deposits from banks	(1 544)	(1 733)
Deposits from customers	(18 395)	(22 753)
Debt securities issued	(4 290)	(2 212)
Hedging derivatives	3 806	6 040
Lease liabilities	(66)	(57)
<b>Interest expense</b>	<b>(20 524)</b>	<b>(21 298)</b>
<b>Net interest income</b>	<b>14 403</b>	<b>14 195</b>

## 2. Net fee and commission income

	2024	2023
<b>Fee and commission income from</b>		
Securities transactions	24	13
Management, administration, deposit and custody services	1 147	900
Loans	1 162	993
Payment services	904	614
Account administration	278	465
Payment cards	1 686	1 380
Other	126	230
<b>Total fee and commission income from contracts with customers</b>	<b>5 327</b>	<b>4 595</b>
Loan commitments and financial guarantees	683	614
<b>Fee and commission income</b>	<b>6 010</b>	<b>5 209</b>
<b>Fee and commission expenses from</b>		
Securities transactions	(15)	(15)
Management, administration, deposit and custody services	(124)	(110)
Loans	(486)	(562)
Payment services	(55)	(43)
Payment cards	(1 349)	(1 111)
Other	(80)	(71)
<b>Fee and commission expenses</b>	<b>(2 109)</b>	<b>(1 912)</b>
<b>Net fee and commission income</b>	<b>3 901</b>	<b>3 297</b>

## 3. Dividend income

	2024	2023
Dividend income		
Ownership interests	700	700
Financial assets at fair value through profit or loss not held for trading mandatorily at fair value	2	4
Financial assets at fair value through other comprehensive income	3	3
<b>Total</b>	<b>705</b>	<b>707</b>

Dividend income – ownership interests is represented by a dividend from the subsidiary company UniCredit Leasing CZ, a.s., which is fully owned by the bank.

## 4. Net income/(loss) from trading

	2024	2023
Net realised and unrealised gain/(loss) from debt instruments held for trading	–	1
Net realised and unrealised gain/(loss) from derivatives held for trading	1 187	209
Net realised and unrealised gain/(loss) from FX spot transactions and from revaluation of receivables and payables denominated in FX	1 610	2 484
<b>Net income/(loss) from trading</b>	<b>2 797</b>	<b>2 694</b>

## 5. Net income/(loss) from hedging against risk of changes in fair value

	2024	2023
Hedging instruments	73	(1 439)
Hedged instruments	(74)	1 441
<b>Net income/(loss) from hedging against risk of changes in fair value</b>	<b>(1)</b>	<b>2</b>

More details on hedging are included in section V. Other Notes, point 35. Financial Risk management.

## 6. Net income/(loss) from the sale or repurchase

	2024	2023
Financial assets at amortised cost: Loans and advances to customers	66	160
Financial assets at fair value through other comprehensive income	(35)	39
Financial liabilities: Debt securities issued	5	1
<b>Net income/(loss) from the sale or repurchase</b>	<b>36</b>	<b>200</b>

## 7. Net income/(loss) from financial assets/liabilities at fair value through profit or loss

	2024	2023
Shares	38	102
<b>Net income/(loss) from financial assets and liabilities at fair value through profit or loss</b>	<b>38</b>	<b>102</b>

## 8. Impairment losses

	2024	2023
<b>Cash and cash balances</b>	<b>(1)</b>	<b>96</b>
Stage 1	(1)	96
<b>Financial assets at amortised cost, of which:</b>	<b>(839)</b>	<b>(378)</b>
<b>Loans and advances to banks</b>	<b>–</b>	<b>9</b>
Stage 1	(4)	9
Stage 3	4	–
<b>Loans and advances to customers</b>	<b>(839)</b>	<b>(387)</b>
<b>Corporate Customers</b>	<b>(887)</b>	<b>(165)</b>
Stage 1	(1 158)	(781)
Stage 2	874	(629)
Stage 3	(603)	1 245
<b>Retail Customers</b>	<b>48</b>	<b>(222)</b>
Stage 1	(79)	(215)
Stage 2	138	11
Stage 3	(11)	(18)
<b>Financial assets at fair value through other comprehensive income</b>	<b>–</b>	<b>4</b>
Stage 1	(1)	4
Stage 2	1	–
<b>Total</b>	<b>(840)</b>	<b>(278)</b>

Impairment Losses to Cash and cash balances are represented by impairment losses to current accounts and sight deposits toward banks that are included in the item “*Other on-demand deposits*” in section V. Other Notes, point 11. “Cash and cash balances”.

## 9. Administrative expenses

	2024	2023
<b>Personnel expenses</b>		
Wages and salaries paid to employees	(2 755)	(2 679)
Social costs	(1 063)	(1 017)
Other	(243)	(241)
	<b>(4 061)</b>	<b>(3 937)</b>
<b>Other administrative expenses</b>		
Rent and building maintenance	(305)	(327)
Information technologies	(1 540)	(1 475)
Promotion and marketing	(239)	(203)
Consumables used	(63)	(65)
Audit, legal and advisory services	(162)	(144)
Administrative and logistic services	(227)	(202)
Deposits and transactions insurance	(483)	(714)
Other services	(311)	(252)
Other	(3)	(21)
	<b>(3 333)</b>	<b>(3 403)</b>
<b>Total</b>	<b>(7 394)</b>	<b>(7 340)</b>

A summary of remuneration to key managers is presented in the following table:

	2024	2023
Short-term employee benefits	173	182
Other long-term employee benefits	32	43
<b>Total</b>	<b>205</b>	<b>225</b>

Key managers are persons with authority and direct or indirect responsibilities as regards planning, managing and supervising the Bank's activities, including all (executive and other) managers. Information on equity-based bonuses is included in section V. Other Notes, point 30. Equity-based bonuses.

The Bank's average number of employees was as follows:

	2024		2023	
	Czech Republic	Slovakia	Czech Republic	Slovakia
Employees	1 976	808	2 004	844
Members of the Board of Directors	7	1	8	1
Members of the Supervisory Board	2	1	2	1
Other executives directly reporting to the Board of Directors	38	2	38	2

Employees include all the employees of the Bank. Members of the Board of Directors, Members of the Supervisory Board and Other executives directly reporting to the Board of Directors include persons representing the Bank.

Information on fees charged by auditors for the accounting period is set out in the notes to the consolidated financial statements for the year ended 31 December 2024.

## 10. Other operating income and expenses

	2024	2023
Income from rent	50	45
Other income	369	60
<b>Total other operating income</b>	<b>419</b>	<b>105</b>
Other taxes	–	(10)
Fines and penalties	(7)	(13)
Other expenses	(127)	(122)
<b>Total other operating expenses</b>	<b>(134)</b>	<b>(145)</b>
<b>Total</b>	<b>285</b>	<b>(40)</b>

## 11. Cash and cash balances

	31.12.2024	31.12.2023
Cash in hand	3 645	3 712
Other on-demand deposits	2 965	2 296
Obligatory min. reserves	3 475	2 806
<b>Total</b>	<b>10 085</b>	<b>8 814</b>

For cash flow reporting purposes, cash is defined as cash and cash equivalents.

Item “Other on-demand deposits” includes current accounts and sight deposits toward banks of which the vast majority (99.9%) as of 31 December 2024 are classified by credit quality at stage 1 with the total allowance of MCZK 3 (as of 31 December 2023: MCZK 2).

## 12. Financial assets at fair value through profit or loss

### (a) Held for Trading

#### (i) Based on the Type of Financial Instrument

	31.12.2024	31.12.2023
Debt securities	24	3
Derivatives	25 416	33 996
<b>Total</b>	<b>25 440</b>	<b>33 999</b>

From debt securities, no securities are provided as collateral as of 31 December 2024 and 31 December 2023.

#### (ii) Based on the Type of Issuer

	31.12.2024	31.12.2023
Public administration	24	3
<b>Total</b>	<b>24</b>	<b>3</b>

### (b) Mandatorily at fair value

	31.12.2024	31.12.2023
Shares and Other debt securities	103	171
<b>Total</b>	<b>103</b>	<b>171</b>



(ii) Based on the Type of Issuer

	31.12.2024	31.12.2023
<b>Shares and Other debt securities</b>		
Other financial institutions	103	171
<b>Total</b>	<b>103</b>	<b>171</b>

### 13. Financial assets at fair value through other comprehensive income

(a) Based on the Type of Financial Instrument

	31.12.2024	31.12.2023
Debt securities	55 352	51 933
Shares	17	20
<b>Total</b>	<b>55 369</b>	<b>51 953</b>

From debt securities MCZK 4 342 are provided as collateral (as of 31 December 2023: MCZK 7 708).

Debt securities are included in financial assets at fair value through other comprehensive income pursuant to paragraph 4.1.2.a) of IFRS 9 – classified based on the business model and meeting the SPPI test. Shares are included in financial assets at fair value through other comprehensive income pursuant to paragraph 5.7.5. of IFRS 9 – FVTOCI option.

(b) Based on the Type of Issuer

	31.12.2024	31.12.2023
<b>Debt securities</b>		
Government institutions	51 934	49 360
Other	3 418	2 573
<b>Shares</b>		
Other	17	20
<b>Total</b>	<b>55 369</b>	<b>51 953</b>

All debt securities included in financial assets at fair value through other comprehensive income as of 31 December 2024 are classified by credit quality in stage 1 with the total allowance of MCZK 2 (as of 31 December 2023: MCZK 2).

Out of total amount of debt securities 99,91 % were included within Internal Rating 1 and 0,09% within Internal Rating 2 or 3 as of 31 December 2024 (as of 31 December 2023 98% within Internal Rating 1 and 2% within Internal Rating 2 or 3).

(c) Participation Interests

Name	Registered office	Date of acquisition	Acquisition price	Net book value 2024	Net book value 2023	Share of the Bank at 31 Dec 2024	Share of the Bank at 31 Dec 2023
CBCB – Czech Banking Credit Bureau, a.s. (bank register)	Prague	10 October 2001	0.24	0.24	0.24	20%	20%
<b>Total</b>			<b>0.24</b>	<b>0.24</b>	<b>0.24</b>		

## 14. Financial assets at amortised cost – loans and advances to banks

### (a) Analysis of Receivables from Banks, by Type

	31.12.2024	31.12.2023
Term deposits	50 062	23 952
Reverse repurchase commitments (see section V, point 32)	180 603	134 596
<b>Total</b>	<b>230 665</b>	<b>158 548</b>

The vast majority (99.9%) of financial assets at amortised cost – loans and advances to banks as of 31 December 2024 are classified by credit quality at stage 1 with the total allowance of MCZK 7 (as of 31 December 2023: MCZK 3).

Out of total amount financial assets at amortised cost – loans and advances to banks 88% were included within Internal Rating 1, none within Internal Rating 2 or 3 as of 31 December 2024 (as of 31 December 2023 83% within Internal Rating 1, 17% within Internal Rating 2 and none within Internal Rating 3).

### (b) Analysis of Receivables from Banks, by Geographical Sector (based on Client's domicile)

	31.12.2024	31.12.2023
Czech Republic	177 167	128 841
Slovakia	26 623	2 226
Other EU countries	26 803	27 145
Other	72	336
<b>Total</b>	<b>230 665</b>	<b>158 548</b>

## 15. Financial assets at amortised cost – loans and advances to customers

### (a) Analysis of Receivables from Customers, by Type

Corporate Customers	Stage 1			Stage 2			Stage 3			Total		
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2024</b>												
Current accounts (overdrafts)	31 177	(219)	30 958	4 552	(396)	4 156	2 532	(2 212)	320	38 261	(2 827)	35 434
Mortgage loans	136 774	(330)	136 444	17 799	(1 194)	16 605	1 778	(982)	796	156 351	(2 506)	153 845
Credit cards	12	–	12	3	–	3	1	–	1	16	–	16
Factoring	1 279	(2)	1 277	43	(6)	37	3	(3)	–	1 325	(11)	1 314
Other loans	157 266	(370)	156 896	12 524	(700)	11 824	3 004	(2 027)	977	172 794	(3 097)	169 697
Debt securities	58 100	(5)	58 095	–	–	–	–	–	–	58 100	(5)	58 095
<b>Total</b>	<b>384 608</b>	<b>(926)</b>	<b>383 682</b>	<b>34 921</b>	<b>(2 296)</b>	<b>32 625</b>	<b>7 318</b>	<b>(5 224)</b>	<b>2 094</b>	<b>426 847</b>	<b>(8 446)</b>	<b>418 401</b>
<b>31 Dec 2023</b>												
Current accounts (overdrafts)	29 899	(179)	29 720	6 431	(541)	5 890	1 781	(1 514)	267	38 111	(2 234)	35 877
Mortgage loans	130 808	(355)	130 453	18 049	(1 118)	16 931	1 390	(913)	477	150 247	(2 386)	147 861
Credit cards	10	–	10	4	–	4	1	(1)	–	15	(1)	14
Factoring	1 250	(1)	1 249	568	(5)	563	3	(3)	–	1 821	(9)	1 812
Other loans	160 375	(311)	160 064	11 374	(793)	10 581	3 280	(2 212)	1 068	175 029	(3 316)	171 713
Debt securities	51 326	(9)	51 317	–	–	–	–	–	–	51 326	(9)	51 317
<b>Total</b>	<b>373 668</b>	<b>(855)</b>	<b>372 813</b>	<b>36 426</b>	<b>(2 457)</b>	<b>33 969</b>	<b>6 455</b>	<b>(4 643)</b>	<b>1 812</b>	<b>416 549</b>	<b>(7 955)</b>	<b>408 594</b>

Retail Customers	Stage 1			Stage 2			Stage 3			Total		
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2024</b>												
Current accounts (overdrafts)	652	(9)	643	443	(36)	407	37	(30)	7	1 132	(75)	1 057
Mortgage loans	176 980	(188)	176 792	8 775	(273)	8 502	436	(162)	274	186 191	(623)	185 568
Credit cards and consumer loans	12 493	(113)	12 380	1 897	(247)	1 650	368	(237)	131	14 758	(597)	14 161
Other loans	2 098	(4)	2 094	257	(17)	240	8	(6)	2	2 363	(27)	2 336
<b>Total</b>	<b>192 223</b>	<b>(314)</b>	<b>191 909</b>	<b>11 372</b>	<b>(573)</b>	<b>10 799</b>	<b>849</b>	<b>(435)</b>	<b>414</b>	<b>204 444</b>	<b>(1 322)</b>	<b>203 122</b>
<b>Retail Customers</b>												
	Gross amount incl. modif. impact	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount	Gross amount	Impair. losses	Net amount
<b>31 Dec 2023</b>												
Current accounts (overdrafts)	539	(6)	533	685	(57)	628	38	(29)	9	1 262	(92)	1 170
Mortgage loans	130 328	(191)	130 137	37 392	(539)	36 853	434	(161)	273	168 154	(891)	167 263
Credit cards and consumer loans	8 271	(99)	8 172	4 502	(315)	4 187	286	(191)	95	13 059	(605)	12 454
Other loans	2 123	(5)	2 118	343	(21)	322	13	(8)	5	2 479	(34)	2 445
<b>Total</b>	<b>141 261</b>	<b>(301)</b>	<b>140 960</b>	<b>42 922</b>	<b>(932)</b>	<b>41 990</b>	<b>771</b>	<b>(389)</b>	<b>382</b>	<b>184 954</b>	<b>(1 622)</b>	<b>183 332</b>

From financial assets at amortised cost – Loans and advances to customers MCZK 140 114 are provided as collateral (as of 31 December 2023: MCZK 152 925).

**(b) Classification of Gross Receivables from Customers according to Internal Rating incl. Probability of Default (“PD”) for Internal Ratings**

	Gross Receivables		PD
	31 Dec 2024	31 Dec 2023	31 Dec 2024 and 31 Dec 2023
<b>Corporate Customers</b>			
Performing receivables – stage 1 and 2			
Internal rating 1	54 239	33 674	0.02% – 0.04%
Internal rating 2	76 425	43 670	0.06% – 0.10%
Internal rating 3	63 591	60 926	0.14% – 0.26%
Internal rating 4	82 946	129 837	0.36% – 0.66%
Internal rating 5	80 686	80 769	0.90% – 1.68%
Internal rating 6	42 065	39 405	2.29% – 4.25%
Other internal rating	19 418	21 783	5.80% – 20.00%
Receivables without internal rating	159	30	37.15%
<b>Total</b>	<b>419 529</b>	<b>410 094</b>	
Non-performing receivables – stage 3	7 318	6 455	100%
<b>Total</b>	<b>426 847</b>	<b>416 549</b>	
<b>Retail Customers</b>			
Performing receivables – stage 1 and 2			
Internal rating 1	3 105	2 670	0.02% – 0.04%
Internal rating 2	8 781	6 071	0.06% – 0.10%
Internal rating 3	50 856	45 157	0.14% – 0.26%
Internal rating 4	97 173	88 489	0.36% – 0.66%
Internal rating 5	32 872	30 432	0.90% – 1.68%
Internal rating 6	7 207	7 547	2.29% – 4.25%
Other internal rating	3 475	3 645	5.80% – 20.00%
Receivables without internal rating	126	172	37.15%
<b>Total</b>	<b>203 595</b>	<b>184 183</b>	
Non-performing receivables – stage 3	849	771	100%
<b>Total</b>	<b>204 444</b>	<b>184 954</b>	

(c) Analysis of Net Receivables from Customers, by Sector

	31.12.2024	31.12.2023
Financial institutions	100 945	103 048
Non-financial institutions	270 974	263 576
Government sector	46 482	41 970
Individuals and others	203 122	183 332
<b>Total</b>	<b>621 523</b>	<b>591 926</b>

(d) Analysis of Net Receivables from Customers, by Type of Collateral Provided and Classification

	Carrying amount	Bank and similar guarantee	Mortgage	Corporate guarantee	Other security	Total collateral	Net exposure
<b>31.12.2024</b>							
Stage 1	575 591	1 037	191 320	13 336	5 100	210 793	364 798
Stage 2	43 424	627	14 190	2 802	1 751	19 370	24 054
Stage 3	2 508	49	1 127	756	107	2 039	469
<b>Total</b>	<b>621 523</b>	<b>1 713</b>	<b>206 637</b>	<b>16 894</b>	<b>6 958</b>	<b>232 202</b>	<b>389 321</b>
<b>31.12.2023</b>							
Stage 1	513 773	2 466	153 674	17 231	3 399	176 770	337 003
Stage 2	75 959	226	31 216	3 857	2 522	37 821	38 138
Stage 3	2 194	75	927	935	100	2 037	157
<b>Total</b>	<b>591 926</b>	<b>2 767</b>	<b>185 817</b>	<b>22 023</b>	<b>6 021</b>	<b>216 628</b>	<b>375 298</b>

The collateral amount stated fulfilling relevant internal conditions for collateral is capped by the maximum exposure of particular exposures.

The item "Net exposure" includes, inter alia, receivables from project funding that are secured by real estate collateral in the nominal value of MCZK 19 014 (as of 31 December 2023: MCZK 30 212). For the project funding of commercial real estate (IPRE), the collateral quality is taken into account when determining the transaction rating; in these cases, the collateral value is strongly correlated with the solvency of the debtor.

In specific segments the loss allowance is set to very low level ( $\leq 1\%$ ) thanks to application of LGD secured concept for materially collateralized part of exposure. For other segments the collateral value is embedded in the calculation of LGD parameter.

(e) Analysis of Net Receivables from Customers, by Geographical Sector(based on Client's domicile)

	31.12.2024	31.12.2023
Czech Republic	390 925	373 488
Slovakia	208 340	193 950
Other EU countries	14 155	20 411
Other	8 103	4 077
<b>Total</b>	<b>621 523</b>	<b>591 926</b>

**(f) Analysis of Net Receivables from Customers, by Industry Sector**

	31.12.2024	31.12.2023
Real estate services	97 240	92 194
Financial services	79 311	82 602
Wholesale	25 393	25 704
Households (individuals)	199 081	179 189
Retail (entrepreneurs)	9 542	9 871
Leasing and rental	28 973	24 072
Automotive industry	5 960	5 917
Power industry	19 496	28 246
Other	156 527	144 131
Government bonds	36 460	30 871
<b>Total receivables from customers</b>	<b>621 523</b>	<b>591 926</b>

The division of net Receivables from Customers by Industry Sector does not have to be the same as used for division between Corporate and Retail Clients used in tables a) and b) in this point.

**(g) Analysis of Forborne receivables**

The Bank's approach to forbearance reporting is disclosed in section V. Other Notes, point 35. Financial Risk Management.

Analysis of forborne receivables by sectors:

	Gross performing receivables	Gross non-performing receivables	Total gross forborne receivables	Impairment of performing receivables	Impairment of non-performing receivables	Total impairment of forborne receivables	Net balance of forborne receivables
<b>31.12.2024</b>							
Non-financial institutions	4 676	3 499	8 175	(529)	(2 421)	(2 950)	5 225
Individuals and others	203	44	247	(12)	(19)	(31)	216
<b>Total</b>	<b>4 879</b>	<b>3 543</b>	<b>8 422</b>	<b>(541)</b>	<b>(2 440)</b>	<b>(2 981)</b>	<b>5 441</b>
<b>31.12.2023</b>							
Non-financial institutions	6 629	1 863	8 492	(706)	(1 557)	(2 263)	6 229
Individuals and others	348	68	416	(10)	(23)	(33)	383
<b>Total</b>	<b>6 977</b>	<b>1 931</b>	<b>8 908</b>	<b>(716)</b>	<b>(1 580)</b>	<b>(2 296)</b>	<b>6 612</b>

All forborne performing receivables are classified as stage 2 receivables, while all forborne non-performing receivables are classified as stage 3 receivables.

Net balance of forborne receivables represented 0.88% of the total net receivables from customers as of 31 December 2024 (as of 31 December 2023: 1.12%).

The table below provides an analysis of forborne receivables balance based on past due days:

	Gross balance of forborne receivables	Impairment of forborne receivables	Net balance of forborne receivables
<b>31.12.2024</b>			
Performing receivables			
Before due	4 552	(487)	4 065
Past due	327	(54)	273
Total forborne performing receivables	<b>4 879</b>	<b>(541)</b>	<b>4 338</b>
Non-performing receivables			
Up to 90 days past due	2 649	(1 743)	906
91 to 180 days past due	31	(11)	20
181 days to 1 year past due	223	(72)	151
Over 1 year past due	640	(614)	26
Total forborne non-performing receivables	<b>3 543</b>	<b>(2 440)</b>	<b>1 103</b>
<b>Total</b>	<b>8 422</b>	<b>(2 981)</b>	<b>5 441</b>
<b>31.12.2023</b>			
Performing receivables			
Before due	6 324	(676)	5 648
Past due	653	(40)	613
Total forborne performing receivables	<b>6 977</b>	<b>(716)</b>	<b>6 261</b>
Non-performing receivables			
Up to 90 days past due	1 096	(837)	259
91 to 180 days past due	151	(128)	23
181 days to 1 year past due	288	(238)	50
Over 1 year past due	396	(377)	19
Total forborne non-performing receivables	<b>1 931</b>	<b>(1 580)</b>	<b>351</b>
<b>Total</b>	<b>8 908</b>	<b>(2 296)</b>	<b>6 612</b>

The table below shows movements in gross balance of forborne receivables:

Balance as of 1 January 2023	18 981
Transfer to forborne receivables balance	2 295
Additions	347
Settled	(1 475)
Transfer from forborne receivables balance	(11 241)
Other	1
<b>Total gross balance of forborne receivables as of 31 December 2023</b>	<b>8 908</b>
Balance as of 1 January 2024	8 908
Transfer to forborne receivables balance	3 259
Additions	610
Settled	(1 208)
Transfer from forborne receivables balance	(3 147)
Other	—
<b>Total gross balance of forborne receivables as of 31 December 2024</b>	<b>8 422</b>

The table below shows movements in the impairment of forborne receivables:

Balance as of 1 January 2023	(2 312)
Transfer to forborne receivables balance	(776)
Charge during the current year	(306)
Release during the current year	141
Transfer from forborne receivables balance	957
Other decreases	–
<b>Total impairment of forborne receivables as of 31 December 2023</b>	<b>(2 296)</b>
Balance as of 1 January 2024	(2 296)
Transfer to forborne receivables balance	(1 071)
Charge during the current year	(395)
Release during the current year	505
Transfer from forborne receivables balance	278
Other decreases	(2)
<b>Total impairment of forborne receivables as of 31 December 2024</b>	<b>(2 981)</b>

#### (h) Analysis of Receivables from Customers

##### *Movement in Gross Amount of Receivables from Customers*

<b>Corporate Customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance as of 1 January 2023	<b>319 135</b>	<b>42 275</b>	<b>7 701</b>	<b>369 111</b>
Provided during the current year	127 130	9 218	1 296	137 644
Repaid during the current year	(71 825)	(14 677)	(3 465)	(89 967)
<i>of which sold</i>	–	(27)	(280)	(307)
Receivables written off	–	(3)	(237)	(240)
Transfer between stages	(774)	(386)	1 160	–
FX differences	2	(1)	–	1
<b>Total gross value of receivables from customers as of 31 December 2023</b>	<b>373 668</b>	<b>36 426</b>	<b>6 455</b>	<b>416 549</b>
Balance as of 1 January 2024	<b>373 668</b>	<b>36 426</b>	<b>6 455</b>	<b>416 549</b>
Provided during the current year	113 983	4 677	796	119 456
Repaid during the current year	(95 747)	(10 626)	(2 278)	(108 651)
<i>of which sold</i>	–	(5)	(161)	(166)
Receivables written off	–	(8)	(494)	(502)
Transfer between stages	(7 293)	4 451	2 842	–
FX differences	(3)	1	(3)	(5)
<b>Total gross value of receivables from customers as of 31 December 2024</b>	<b>384 608</b>	<b>34 921</b>	<b>7 318</b>	<b>426 847</b>



<b>Retail Customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance as of 1 January 2023	<b>131 140</b>	<b>35 301</b>	<b>794</b>	<b>167 235</b>
Provided during the current year	21 329	11 642	106	33 077
Repaid during the current year	(11 691)	(3 352)	(196)	(15 239)
<i>of which sold</i>	(1)	–	(209)	(210)
Receivables written off	–	(11)	(108)	(119)
Transfer between stages	485	(660)	175	–
FX differences	(2)	2	–	–
<b>Total gross value of receivables from customers as of 31 December 2023</b>	<b>141 261</b>	<b>42 922</b>	<b>771</b>	<b>184 954</b>
Balance as of 1 January 2024	<b>141 261</b>	<b>42 922</b>	<b>771</b>	<b>184 954</b>
Provided during the current year	37 077	3 427	68	40 572
Repaid during the current year	(16 806)	(3 877)	(251)	(20 933)
<i>of which sold</i>	(4)	(8)	(305)	(317)
Receivables written off	–	(28)	(118)	(145)
Transfer between stages	30 693	(31 073)	380	–
FX differences	(2)	–	(1)	(3)
<b>Total gross value of receivables from customers as of 31 December 2024</b>	<b>192 223</b>	<b>11 372</b>	<b>849</b>	<b>204 444</b>

#### **Movement in Impairment of Receivables from Customers**

<b>Corporate Customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance as of 1 January 2023	<b>(1 643)</b>	<b>(1 203)</b>	<b>(5 201)</b>	<b>(8 047)</b>
Charge during the current year	(1 449)	(2 675)	(2 043)	(6 167)
<i>Of which provided in the respective year</i>	(220)	(604)	(664)	(1 488)
Release during the current year	1 992	1 393	2 635	6 020
<i>Of which repaid in the respective year</i>	134	117	937	1 188
Receivables written off – use	–	3	237	240
Transfer between stages	245	24	(270)	(1)
FX differences	–	1	(1)	–
<b>Total impairment of receivables from customers as of 31 December 2023</b>	<b>(855)</b>	<b>(2 457)</b>	<b>(4 643)</b>	<b>(7 955)</b>
Balance as of 1 January 2024	<b>(855)</b>	<b>(2 457)</b>	<b>(4 643)</b>	<b>(7 955)</b>
Charge during the current year	(2 113)	(1 815)	(2 413)	(6 341)
<i>Of which provided in the respective year</i>	(256)	(319)	(294)	(869)
Release during the current year	1 344	2 815	1 182	5 341
<i>Of which repaid in the respective year</i>	211	151	554	916
Receivables written off – use	–	8	494	502
Transfer between stages	696	(846)	150	–
FX differences	2	(1)	6	7
<b>Total impairment of receivables from customers as of 31 December 2024</b>	<b>(926)</b>	<b>(2 296)</b>	<b>(5 224)</b>	<b>(8 446)</b>

Retail Customers	Stage 1	Stage 2	Stage 3	Total
Balance as of 1 January 2023	(228)	(877)	(356)	(1 461)
Charge during the current year	(821)	(791)	(273)	(1 885)
<i>Of which provided in the respective year</i>	(77)	(229)	(56)	(362)
Release during the current year	441	1 031	131	1 603
<i>Of which repaid in the respective year</i>	47	44	78	169
Receivables written off – use	–	11	108	119
Transfer between stages	306	(305)	(1)	–
FX differences	1	(1)	2	2
<b>Total impairment of receivables from customers as of 31 December 2023</b>	<b>(301)</b>	<b>(932)</b>	<b>(389)</b>	<b>(1 622)</b>
Balance as of 1 January 2024	(301)	(932)	(389)	(1 622)
Charge during the current year	(1 208)	(471)	(323)	(2 002)
<i>Of which provided in the respective year</i>	(87)	(80)	(24)	(191)
Release during the current year	665	1 357	134	2 156
<i>Of which repaid in the respective year</i>	72	38	46	156
Receivables written off – use	–	28	118	146
Transfer between stages	529	(556)	26	(1)
FX differences	1	1	(1)	1
<b>Total impairment of receivables from customers as of 31 December 2024</b>	<b>(314)</b>	<b>(573)</b>	<b>(435)</b>	<b>(1 322)</b>

#### i) Receivables Written-Off and Being Subject to Enforcement

The number of written-off receivables due from customers still subject to enforcement as of 31 December 2024 was MCZK 2 477 (as of 31 December 2023: MCZK 1 908). Income from written-off receivables that have been subject to enforcement to date was immaterial for the years 2024 and 2023.

## 16. Positive fair value of hedging derivatives

#### Based on the Hedging Purpose

	31.12.2024	31.12.2023
Fair value hedging	5 006	5 344
Cash flow hedging	5 931	9 136
<b>Total</b>	<b>10 937</b>	<b>14 480</b>

More details on hedging are included in section V. Other Notes, point 35. Financial Risk management.

## 17. Equity investments

Name	Registered office	Date of acquisition	Acquisition price	Net book value 2024	Net book value 2023	Share of the Bank at 31 Dec 2024	Share of the Bank at 31 Dec 2023
UniCredit Leasing CZ, a.s.	Prague	14 Feb 2014	3 211	3 781	3 781	100%	100%
UniCredit Factoring Czech Republic and Slovakia, a.s.	Prague	20 Jan 2015	198	198	198	100%	100%
<b>Total</b>			<b>3 409</b>	<b>3 979</b>	<b>3 979</b>		

Equity investments are reported at cost in line with IAS 27, par. 10a.

## 18. Property, equipment and right of use assets

	31.12.2024	31.12.2023
<b>Property and equipment for operations</b>		
Buildings and land	1 056	941
Leasehold improvements of rent buildings	240	238
Fixtures and fittings	39	36
IT equipment	60	52
Other	154	173
<b>Right of use assets</b>		
Buildings and land	1 791	1 962
Other	70	65
<b>Total</b>	<b>3 410</b>	<b>3 467</b>

### (a) Movements in Property and Equipment Held for Operations

	Buildings and land	Leasehold improvements of rent buildings	Fixtures and fittings	IT equipment	Other	Total
<b>Fair Value (Buildings and land) / Cost at 1 January 2023</b>	2 617	1 078	129	524	346	4 694
Accumulated depreciation and impairment at 1 January 2023	(1 749)	(844)	(97)	(474)	(163)	(3 327)
<b>Net Book Value at 1 January 2023</b>	<b>868</b>	<b>234</b>	<b>32</b>	<b>50</b>	<b>183</b>	<b>1 367</b>
Increases in fair value	5	–	–	–	–	5
Reductions in fair value	(44)	–	–	–	–	(44)
Additions	118	44	15	22	5	204
Depreciation charges	(24)	(38)	(6)	(24)	(17)	(109)
Other and FX rate gains or losses	18	(2)	(5)	4	2	17
<b>Net Book Value at 31 December 2023</b>	<b>941</b>	<b>238</b>	<b>36</b>	<b>52</b>	<b>173</b>	<b>1 440</b>
<b>Fair Value (Buildings and land) / Cost at 31 December 2023</b>	<b>2 678</b>	<b>1 118</b>	<b>127</b>	<b>518</b>	<b>346</b>	<b>4 787</b>
Accumulated depreciation and impairment at 31 December 2023	(1 737)	(880)	(91)	(466)	(173)	(3 347)
<b>Fair Value (Buildings and land) / Cost at 1 January 2024</b>	<b>2 678</b>	<b>1 118</b>	<b>127</b>	<b>518</b>	<b>346</b>	<b>4 787</b>
Accumulated depreciation and impairment at 1 January 2024	(1 737)	(880)	(91)	(466)	(173)	(3 347)
<b>Net Book Value at 1 January 2024</b>	<b>941</b>	<b>238</b>	<b>36</b>	<b>52</b>	<b>173</b>	<b>1 440</b>
Increases in fair value	44	–	–	–	–	44
Reductions in fair value	(14)	–	–	–	–	(14)
Additions	96	45	14	29	6	190
Depreciation charges	(26)	(44)	(7)	(24)	(25)	(126)
Other and FX rate gains or losses	15	1	(4)	3	–	15
<b>Net Book Value at 31 December 2024</b>	<b>1 056</b>	<b>240</b>	<b>39</b>	<b>60</b>	<b>154</b>	<b>1 549</b>
<b>Fair Value (Buildings and land) / Cost at 31 December 2024</b>	<b>2 877</b>	<b>1 167</b>	<b>133</b>	<b>549</b>	<b>343</b>	<b>5 069</b>
Accumulated depreciation and impairment at 31 December 2024	(1 821)	(927)	(94)	(489)	(189)	(3 520)

The carrying amount of Buildings and land that would have been recognised had the assets been carried under the cost model (i.e. not revalued) would be MCZK 813 (as of 31 December 2023: MCZK 721).

## (b) Movements in Right of Use Assets

	Buildings and land	Other – vehicles, machines	Total
<b>Net Book Value at 1 January 2023</b>	<b>1 872</b>	<b>42</b>	<b>1 914</b>
Additions	408	47	455
Disposals	(9)	–	(9)
Depreciation	(309)	(24)	(333)
<b>Net Book Value at 31 December 2023</b>	<b>1 962</b>	<b>65</b>	<b>2 027</b>
Cost at 31 December 2023	3 566	128	3 694
Accumulated depreciation and impairment at 31 December 2023	(1 604)	(63)	(1 667)
<b>Net Book Value at 1 January 2024</b>	<b>1 962</b>	<b>65</b>	<b>2 027</b>
Additions	276	30	306
Disposals	(115)	–	(115)
Depreciation	(332)	(25)	(357)
<b>Net Book Value at 31 December 2024</b>	<b>1 791</b>	<b>70</b>	<b>1 861</b>
Cost at 31 December 2024	3 716	129	3 845
Accumulated depreciation and impairment at 31 December 2024	(1 925)	(59)	(1 984)

## 19. Intangible assets

### Movements in Intangible Assets

	Software	Total
<b>Cost at 1 January 2023</b>	<b>5 347</b>	<b>5 347</b>
Accumulated amortisation and impairment at 1 January 2023	(2 852)	(2 852)
<b>Net Book Value at 1 January 2023</b>	<b>2 495</b>	<b>2 495</b>
Additions	588	588
Amortisation charges	(850)	(850)
Other	120	120
<b>Net Book Value at 31 December 2023</b>	<b>2 353</b>	<b>2 353</b>
Cost at 31 December 2023	5 883	5 883
Accumulated amortisation and impairment at 31 December 2023	3 530	3 530
<b>Cost at 1 January 2024</b>	<b>5 883</b>	<b>5 883</b>
Accumulated amortisation and impairment at 1 January 2024	3 530	3 530
<b>Net Book Value at 1 January 2024</b>	<b>2 353</b>	<b>2 353</b>
Additions	506	506
Amortisation charges	(685)	(685)
Other	66	66
<b>Net Book Value at 31 December 2024</b>	<b>2 240</b>	<b>2 240</b>
Cost at 31 December 2024	6 452	6 452
Accumulated amortisation and impairment at 31 December 2024	4 212	4 212

## 20. Other assets

	31.12.2024	31.12.2023
Deferred expenses and accrued income	510	270
Trade receivables	274	239
Receivables from securities	15	13
Clearing and settlement accounts	2 034	680
Other	3	2
<b>Total</b>	<b>2 836</b>	<b>1 204</b>
Impairment losses on other assets	(14)	(14)
<b>Net other assets</b>	<b>2 822</b>	<b>1 190</b>

## 21. Financial liabilities held for trading

### Based on the Type of Financial Instrument

	31.12.2024	31.12.2023
Derivatives	23 846	33 373
<b>Total</b>	<b>23 846</b>	<b>33 373</b>

## 22. Financial liabilities at amortised cost – deposits from banks

### Analysis of Deposits from Banks by Type

	31.12.2024	31.12.2023
Deposits from central banks	–	3 667
Current accounts	5 753	5 002
Loans	444	562
Term deposits	4 479	4 491
Sale and repurchase agreements (see section V, point 32)	13 131	15 209
Others	39	41
<b>Total</b>	<b>23 846</b>	<b>28 972</b>

Item "Deposits from central banks" includes as of 31 December 2023 MCZK 3 667 of funding from Targeted Longer-Term Refinancing Operations (hereinafter "TLTRO"). This facility was repaid on March 27, 2024.

The TLTRO liabilities were banking book funding instruments subsequently measured at amortised cost according to IFRS 9, 4.2.1. Financial conditions incorporated into TLTROs were reflecting The European Central Bank (hereinafter "ECB") monetary policy initiatives to prospectively reduce market cost of funding for banking institutions by using non-conventional tools and reflected in money market operations.

In 2024 Bank recognized, a Net Interest Income contribution from TLTRO equal to MCZK as expense 35 (2023: expense of MCZK 583).

## 23. Financial liabilities at amortised cost – deposits from customers and Lease liabilities

### Analysis of Deposits from Customers by Type

	31.12.2024	31.12.2023
Current accounts	458 312	432 488
Term deposits	178 666	130 902
Sale and repurchase agreements	60 976	50 060
Lease Liabilities	2 039	2 042
Other	2 122	1 566
<b>Total</b>	<b>702 115</b>	<b>617 058</b>

## Movements in Lease Liabilities

	2024	2023
As at 1 January	2 042	1 882
Additions	306	446
Accretion of interest	66	57
Lease payments	(392)	(363)
Other and FX rate gains or losses	17	20
<b>Total at 31 December</b>	<b>2 039</b>	<b>2 042</b>

The Bank had total cash outflows for leases of MCZK 423 in 2024 incl. those leases that are not in-scope of IFRS 16 (in 2023: MCZK 391).

## 24. Financial liabilities at amortised cost – issued debt securities

### Analysis of Issued Debt Securities

	31.12.2024	31.12.2023
Mortgage bonds	80 190	47 916
Structured bonds	4 184	1 753
Other issued debt securities	29 394	28 855
<b>Total</b>	<b>113 768</b>	<b>78 524</b>

### Movements in Issued Debt Securities

	2024	2023
As at 1 January	78 524	34 412
Issue	35 788	43 084
Repayment of principal	(539)	(140)
Accretion of interest	4 290	2 212
Repayment of interest	(4 295)	(1 044)
<b>Total at 31 December</b>	<b>113 768</b>	<b>78 524</b>

Structured bonds (included in the line “Structured bonds” and partly in the line “Mortgage bonds”) include embedded options – currency, equity, commodity and interest rate options – in the total nominal value of MCZK 1 577 (at 31 December 2023: MCZK 1 857).

The positive fair value of these derivatives of MCZK 4 is reported under “Financial assets held for trading” (at 31 December 2023: MCZK 4); the negative fair value of these derivatives of MCZK (386) is recognised under “Financial liabilities held for trading” (at 31 December 2023: MCZK (238)).

Other issued debt securities includes also MREL instrument (MREL = The Minimum Requirement for Own Funds and Eligible Liabilities) in the form of EUR Senior Non-Preferred Bond issued for purpose of fulfilment of the capital requirements under the EU law (BRD2 Directive and Czech Recovery and Resolution Crisis Act) as a part of the Single Point of Entry model (“SPE”) applied within UC Group. The MREL instruments was issued as of 23 November 2021 with total nominal value of MCZK 16 408 and maturity date as of 23 November 2027 and as of 27 September 2023 with total nominal value of MCZK 10 632 and maturity date as of 23 September 2029. In both cases with option to call the bond after 5 years. The only investor is UniCredit

S.p.A. The total value as of 31 December 2024 is MCZK 27 527 (at 31 December 2023: MCZK 27 045).

Other debt securities issued also include a Credit Linked Note (“CLN”) issued on 27 November 2024 with a nominal value of EUR 100 million and a contractual maturity set at 22 August 2053. The expected maturity is approximately 5 years. This CLN is part of the newly created synthetic securitisation programme, which represents an ongoing strategy of capital and risk-weighted asset optimisation. The total value of the CLN at 31 December 2024 is EUR 2 536 million. The CLN has a value of CZK 5,5 million. The synthetic securitisation covers the underlying loan portfolio totalling EUR 1 670 million. The underlying loan portfolio is represented by Czech and Slovak corporate loans granted by the Bank in the ordinary course of its business. The ratio of Czech and Slovak loans is approximately 60:40.

The synthetic securitisation is split into a junior (EUR 12 million), a mezzanine (EUR 100 million) and a senior tranche (EUR 1 558 million). The risk of loss arising from the junior and senior tranches remains with the Bank. The risk of loss arising from the mezzanine tranche is covered by the issued CLN, i.e. held by the investor

in the CLN. As of 31 December 2024, the mezzanine tranche has not been reached and the risk of loss arising from the underlying loan portfolio has not been passed through the issued CLN to the investor at all. The summary table of synthetic securitization can be found in the Consolidated Annual report, cap. 24.

## 25. Negative fair value of hedging derivatives

### Based on the Hedging Purpose

	31.12.2024	31.12.2023
Fair value hedging	13 573	14 887
Cash flow hedging	10 198	15 254
<b>Total</b>	<b>23 771</b>	<b>30 141</b>

More details on hedging are included in section V. Other Notes, point 35. Financial Risk management.

## 26. Other liabilities

	31.12.2024	31.12.2023
Deferred income and accrued expenses	1 322	1 111
Trade payables	484	373
Payables to employees	715	705
Unsettled security transactions	858	396
Clearing and settlement accounts	4 057	5 690
Other	215	363
<b>Total</b>	<b>7 651</b>	<b>8 638</b>

## 27. Provisions for risks and charges

Provisions for risks and charges include the following items:

	31.12.2024	31.12.2023
Provisions for off-balance sheet credit exposures	<b>749</b>	<b>1 261</b>
Stage 1	215	207
Stage 2	131	322
Stage 3	403	732
Legal disputes	58	37
Provision for restructuring	211	–
Other	119	106
<b>Total</b>	<b>1 137</b>	<b>1 404</b>

### (a) Provisions for Off-Balance Sheet Credit Exposures

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2023	<b>317</b>	<b>243</b>	<b>582</b>	<b>1 142</b>
Charge during the year	140	306	560	1 006
Release during the year	(333)	(198)	(371)	(902)
Transfer between stages	80	(33)	(47)	–
Other – FX rate gains or losses	3	4	8	15
<b>Total provisions for off-balance sheet credit items at 31 December 2023</b>	<b>207</b>	<b>322</b>	<b>732</b>	<b>1 261</b>
Balance at 1 January 2024	<b>207</b>	<b>322</b>	<b>732</b>	<b>1 261</b>
Charge during the year	114	96	168	378
Release during the year	(192)	(215)	(499)	(906)
Transfer between stages	82	(76)	(6)	–
Other – FX rate gains or losses	4	4	8	16
<b>Total provisions for off-balance sheet credit items at 31 December 2024</b>	<b>215</b>	<b>131</b>	<b>403</b>	<b>749</b>



## (b) Other Provisions

	Legal disputes	Restructuring provision	Other	Total
Balance at 1 January 2023	64	–	23	87
Charge during the year	10	–	113	123
Usage during the year	1	–	(2)	(1)
Release of redundant provisions and other	(38)	–	(28)	(66)
<b>Total other provisions at 31 December 2023</b>	<b>37</b>	<b>–</b>	<b>106</b>	<b>143</b>
Balance at 1 January 2024	37	–	106	143
Charge during the year	24	211	(17)	218
Usage during the year	–	–	2	2
Release of redundant provisions and other	(3)	–	28	25
<b>Total other provisions at 31 December 2024</b>	<b>58</b>	<b>211</b>	<b>119</b>	<b>388</b>

## 28. Income tax

### (a) Tax in the Income Statement

	2024	2023
Current year tax expense	(2 550)	(1 811)
Changes on prior year tax expense estimate	(91)	143
Deferred tax	101	(153)
<b>Total income tax expense</b>	<b>(2 540)</b>	<b>(1 821)</b>

The income tax of the Bank differs from the theoretical tax which would arise if the tax rate effective in the Czech Republic were applied as follows:

	2024	2023
Profit for the year before income tax	13 049	12 077
Tax calculated using the tax rate of 21% (2023: 19%)	(2 740)	(2 295)
Changes in estimates relating to prior years	(91)	143
Non-taxable income	848	634
Tax non-deductible expenses	(45)	(108)
Impact of prior years on the deferred tax	11	(175)
Impact of a higher Slovak tax rate	(3)	(24)
Other	(520)	4
<b>Total income tax</b>	<b>(2 540)</b>	<b>(1 821)</b>

The effective tax rate of the Bank is 19.5 % (2023: 15.1 %).

The Item “Other” includes also the adjustment of deferred tax due to the change in the statutory nominal income tax rate in Slovakia from 21% to 24% in the amount of MCZK 73, it also includes Bank Levy in amount of MCZK 620.

### (b) Tax in the Statement of Financial Position

The Bank made income tax prepayments (including advance payment for “Bank Levy” in Slovakia) in the amount of MCZK 2 483 (2023: MCZK 1 605), paid an tax of MCZK 301 (at 31 December 2023: the Bank paid an tax of MCZK 556) and reports an income tax payable of MCZK 33 to the tax authority in the Czech Republic (at 31 December 2023: a receivable of MCZK 68) and a liability of MCZK 24 to the tax authority in the Slovak Republic (at 31 December 2023: a liability of MCZK 130).

### (c) Deferred Tax Asset/Liability

Deferred income tax is calculated on all temporary differences using the balance sheet liability method under the application of the appropriate tax rate.

When calculating net tax assets and liabilities, the Bank offsets deferred tax assets against deferred tax liabilities arising from income tax paid to the same tax institution in the same tax category.

Bank Management believes that the Bank will be able to fully recover deferred tax assets reported as of 31 December 2024 based on the current and anticipated future level of taxable profits.

### Net Deferred Tax Asset

	31 Dec 2024		31 Dec 2023	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Tax non-deductible provisions	217	–	150	–
Impairment of loans and off-balance sheet items	588	–	648	–
Differences arising from the net book values of tangible assets	495	(393)	493	(440)
Differences arising from the net book values of intangible assets	–	(137)	–	(175)
Reserve from revaluation of hedging instruments *	1 060	–	1 235	–
Reserve from revaluation of financial assets at fair value through other comprehensive income*	106	(36)	86	(13)
Reserve from revaluation of property measured at fair value *	–	(57)	–	(46)
Other	218	(65)	185	(46)
<b>Deferred tax liability/asset</b>	<b>2 684</b>	<b>(688)</b>	<b>2 797</b>	<b>(720)</b>
<b>Net deferred tax asset</b>	<b>1 996</b>		<b>2 077</b>	

\* Change in deferred tax from these items is posted via Other Comprehensive Income.

The Bank additionally carries the following deferred tax assets which are not recognised on the grounds of prudence: arising from non-tax deductible provisions of MCZK 11 (2023: MCZK 11).

The Bank is subject to top-up taxes in accordance with Act 416/2023 Coll., on top-up taxes taxes for large multinational groups and large domestic groups. The Bank expects that the impact on the total tax liability will be insignificant. The top-up taxes tax was not taken into account in the calculation of deferred tax.

## 29. Issued capital and share premium

The recorded, issued and fully paid capital of the Bank amounted to MCZK 8 755 as of 31 December 2023 and 2024.

### (a) Shareholder Structure

Entity	Registered office	Nominal value of shares in MCZK	Share premium in MCZK	Ownership percentage
<b>At 31 Dec 2024</b>				
UniCredit S.p.A	Italy	8 755	3 495	100
<b>Total</b>		<b>8 755</b>	<b>3 495</b>	<b>100</b>
<b>At 31 Dec 2023</b>				
UniCredit S.p.A	Italy	8 755	3 495	100
<b>Total</b>		<b>8 755</b>	<b>3 495</b>	<b>100</b>

### (b) Capital Breakdown

	31 Dec 2024 Number of shares	31 Dec 2024 MCZK	31 Dec 2023 Number of shares	31 Dec 2023 MCZK
Ordinary shares of CZK 16,320,000	100	1 632	100	1 632
Ordinary shares of CZK 13,375,000	200	2 675	200	2 675
Ordinary shares of CZK 10,000	436 500	4 365	436 500	4 365
Ordinary shares of CZK 7,771,600	10	78	10	78
Ordinary shares of CZK 46	106 563	5	106 563	5
<b>Total issued capital</b>		<b>8 755</b>		<b>8 755</b>

The shares are freely transferrable. Ordinary shares include the entitlement to participate in the Bank's governance and the entitlement to a share on profit.

Both at 31 December 2024 and 31 December 2023, the Bank held no treasury shares.

### 30. Equity-based bonuses

The Bank has not implemented any employee motivation or stabilisation programme for the purchase of treasury shares or remuneration in the form of treasury share options.

### 31. Retained earnings and reserve funds

The following table shows the breakdown of the reserve funds:

	31.12.2024	31.12.2023
Reserve funds	3 372	3 372
Special-purpose reserve fund	11 609	11 609
Retained earnings	45 157	50 107
<b>Total</b>	<b>60 138</b>	<b>65 088</b>

As part of the cross-border merger, the share capital of UniCredit Bank Slovakia a.s. of MCZK 6 058, the reserve fund of UniCredit Bank Slovakia a.s. of MCZK 1 166 and retained earnings of UniCredit Bank Slovakia a.s. of MCZK 4 385 were transferred into a Special-purpose reserve fund denominated in EUR. This part of the Special-purpose reserve fund in total amount of MCZK 11 609 from cross-border merger can only be used to settle the loss of the Bank.

### 32. Repurchase and reverse repurchase transactions

#### (a) Reverse Repurchase Transactions

	31.12.2024	31.12.2023
Loans and advances to banks	180 603	134 596
Fair value of securities received	180 288	132 295

Securities received as collateral as part of reverse repurchase transactions are further provided as collateral under repurchase transactions as of 31 December 2024 MCZK 3 071 (as of 31 December 2023: MCZK 0).

#### (b) Repurchase Transactions

	31.12.2024	31.12.2023
Deposits from banks	13 131	15 209
Deposits from clients	60 976	50 060
Fair value of securities provided	73 695	66 893

### 33. Contingent liabilities, contingent assets and financial derivatives

In the ordinary course of business, the Bank conducts various financial transactions that are not reported in the Bank's statement of financial position and that are designated as off-balance sheet financial instruments.

Unless stated otherwise, the information below represents the nominal values of off-balance sheet transactions.

#### (a) Contingent Liabilities

##### *Legal Disputes*

As of 31 December 2024, the Bank assessed the legal disputes in which it acted as a defendant. The Bank recorded provisions for these legal

disputes (see section V, point 27). In addition to these disputes, legal actions arising from ordinary business activities were taken against the Bank. The management does not anticipate the result of these legal disputes to have a material impact on the Bank's financial position.

### ***Taxation***

Czech and Slovak tax legislation has significantly changed in recent years. Many complicated legislation areas remained unresolved, and it may not be possible to determine the interpretation of taxation authorities in specific cases in advance. It is not possible to quantify the consequences of this uncertainty; they may be resolved solely under the condition that the relevant legal regulations are adopted in practice or in the event that official interpretations are available.

### ***Loan Commitments, financial guarantees and other commitments given***

Loan commitments issued by the Bank include issued credit and guarantee commitments, and undrawn amounts of credits and overdraft loan facilities. Revocable commitments include undrawn loans that may be revoked by the Bank at any time without stating the reason. On the contrary, irrevocable commitments represent the Bank's liability to provide a credit or issue a guarantee, the performance of which, even though bound on meeting the contractual terms by the client, is to a certain extent independent of the Bank's will.

Financial guarantees include irrevocable commitments made by the Bank to repay debts in lieu of the debtor owed to the guarantee beneficiary in case the debtor defaults on their obligation to pay subject to terms and conditions of the individual contracts. As such, commitments bear similar risk to loans, the Bank creates the relevant provisions using a similar algorithm as for provisions (see section V. Other Notes, point 35. Financial Risk Management).

Documentary letters of credit represent a written irrevocable commitment of the Bank issued based on a client's request (orderer), to provide a third party or to its order (recipient, beneficiary), with certain performance, under the condition the terms of the letter of credit are met by a specified deadline. For these financial instruments, the Bank creates provisions using a similar algorithm as applied for credits (see section V. Other Notes, point 35. Financial Risk Management).

The Bank recorded provisions for off-balance sheet items to cover expected credit losses and arising from the impairment losses on the off-balance sheet items due to credit risk. As of 31 December 2024, the aggregate provisions amounted to MCZK 749 (as of 31 December 2023: MCZK 1 261), see section V. Other Notes, point 27. Provisions (a).

	Gross amount	Provisions for risks and charges	Net amount
<b>31.12.2024</b>			
Letters of credit and financial guarantees	50 973	(390)	50 583
– Stage 1	46 989	(145)	46 844
– Stage 2	3 622	(95)	3 527
– Stage 3	362	(150)	212
Other contingent liabilities (undrawn credit facilities)	186 891	(359)	186 532
– Stage 1	178 950	(70)	178 880
– Stage 2	6 695	(36)	6 659
– Stage 3	1 246	(253)	993
<b>Total</b>	<b>237 864</b>	<b>(749)</b>	<b>237 115</b>
<b>31.12.2023</b>			
Letters of credit and financial guarantees	49 947	(571)	49 376
– Stage 1	46 136	(127)	46 009
– Stage 2	3 424	(141)	3 283
– Stage 3	387	(303)	84
Other contingent liabilities (undrawn credit facilities)	170 079	(690)	169 389
– Stage 1	157 633	(80)	157 553
– Stage 2	11 708	(181)	11 527
– Stage 3	738	(429)	309
<b>Total</b>	<b>220 026</b>	<b>(1 261)</b>	<b>218 765</b>

## Classification of Off-balance sheet items gross amount according to Internal Rating incl. Probability of Default ("PD") for Internal Ratings

	Gross Off-balance sheet items		PD – mid values
	31 Dec 2024	31 Dec 2023	31 Dec 2024 and 31 Dec 2023
Performing off-balance sheet items – stage 1 and 2			
Internal rating 1	25 752	24 032	0.02% – 0.04%
Internal rating 2	65 236	45 433	0.06% – 0.10%
Internal rating 3	42 446	33 594	0.14% – 0.26%
Internal rating 4	48 747	62 442	0.36% – 0.66%
Internal rating 5	34 186	30 839	0.90% – 1.68%
Internal rating 6	16 078	18 518	2.29% – 4.25%
Other internal rating	3 765	4 040	5.80% – 20.00%
Off-balance sheet items without internal rating	46	3	37.15%
<b>Total</b>	<b>236 256</b>	<b>218 901</b>	
Non-performing off-balance sheet items – stage 3	1 608	1 125	100%
<b>Total</b>	<b>237 864</b>	<b>220 026</b>	

### (b) Contingent Assets

The Bank has an option to draw a credit line from The Export-Import Bank of The Republic of China of MCZK 606 (MUSD 25) with the maximum maturity of five years from the time of drawing.

### (c) Financial Derivatives

#### (i) Nominal and Fair Values of Financial Derivatives

	Nominal value	Positive fair value	Negative fair value
<b>31.12.2024</b>			
<b>Trading instruments – interbank market (OTC)</b>			
Options (majority for FX)	190 543	2 076	2 071
Interest rate swap contracts	776 325	20 322	19 191
Forward rate agreements (FRA)	–	–	–
Cross currency swap contracts	223 102	2 303	1 591
Foreign exchange forwards and swaps	35 310	594	882
Other instruments	6 447	121	111
<b>Total trading instruments</b>	<b>1 231 727</b>	<b>25 416</b>	<b>23 846</b>
<b>Hedging instruments</b>			
Interest rate swap contracts	813 940	10 383	23 745
Cross currency swap contracts	68 855	554	26
<b>Total hedging instruments</b>	<b>882 795</b>	<b>10 937</b>	<b>23 771</b>

	Nominal value	Positive fair value	Negative fair value
<b>31.12.2023</b>			
<b>Trading instruments – interbank market (OTC)</b>			
Options (majority for FX)	145 229	1 817	1 810
Interest rate swap contracts	863 650	28 082	26 982
Forward rate agreements (FRA)	8 220	8	1
Cross currency swap contracts	177 469	3 252	2 615
Foreign exchange forwards and swaps	35 829	444	1 588
Other instruments	3 298	393	377
<b>Total trading instruments</b>	<b>1 233 695</b>	<b>33 996</b>	<b>33 373</b>
<b>Hedging instruments</b>			
Interest rate swap contracts	777 578	14 089	29 596
Cross currency swap contracts	83 274	391	545
<b>Total hedging instruments</b>	<b>860 852</b>	<b>14 480</b>	<b>30 141</b>

*(ii) Residual Maturity of Financial Derivatives Concluded on the Interbank Market*

	Up to 1 year	1 – 5 years	Over 5 years	Total
<b>31.12.2024</b>				
<b>Trading instruments</b>				
Interest rate instruments	145 111	484 167	191 856	821 134
Equity instruments	1 081	2 378	–	3 459
Currency instruments	300 173	100 897	3 395	404 465
Other	1 762	907	–	2 669
<b>Total</b>	<b>448 127</b>	<b>588 349</b>	<b>195 251</b>	<b>1 231 727</b>
<b>Hedging instruments</b>				
Interest rate instruments	159 860	469 939	184 141	813 940
Currency instruments	3 915	36 868	28 072	68 855
<b>Total</b>	<b>163 775</b>	<b>506 807</b>	<b>212 213</b>	<b>882 795</b>
<b>31.12.2023</b>				
<b>Trading instruments</b>				
Interest rate instruments	170 261	476 446	262 430	909 137
Equity instruments	825	3 195	–	4 020
Currency instruments	218 387	90 928	7 925	317 240
Other	2 497	801	–	3 298
<b>Total</b>	<b>391 970</b>	<b>571 370</b>	<b>270 355</b>	<b>1 233 695</b>
<b>Hedging instruments</b>				
Interest rate instruments	102 157	446 686	228 735	777 578
Currency instruments	16 118	16 852	50 304	83 274
<b>Total</b>	<b>118 275</b>	<b>463 538</b>	<b>279 039</b>	<b>860 852</b>

## 34. Segment reporting

The Bank presents the segment information based on performance criteria as disclosed in section III. Material Accounting Policies, point 20. Segment reporting.

### (a) Segment Information by Client Category

	Retail and private banking	Corporate and investment banking, leases	Other	Total
<b>31.12.2024</b>				
Net interest and dividend income	4 487	10 114	507	15 108
Net fee and commission income	1 054	2 905	(58)	3 901
Management services	395	3	—	398
Deposit and custody services and Securities transactions	86	252	(60)	278
Financial services (loans, guarantees, factoring etc.)	130	1 122	2	1 254
Transactional and Banking Services (current accounts, payments etc.)	443	1 528	—	1 971
Other net income	311	2 514	333	3 158
Depreciation/impairment of property and equipment and intangible assets	—	—	(1 168)	(1 168)
Impairment loss	(55)	(951)	166	(840)
Segment expenses	(4 435)	(4 186)	1 511	(7 110)
Profit before tax	1 362	10 396	1 291	13 049
Income tax	—	—	(2 540)	(2 540)
Result of segment	<b>1 362</b>	<b>10 396</b>	<b>(1 249)</b>	<b>10 509</b>
Segment assets	226 698	721 492	22 258	970 448
Segment liabilities	299 653	476 828	115 078	891 559
<b>31.12.2023</b>				
Net interest and dividend income	5 288	11 563	(1 949)	14 902
Net fee and commission income	821	2 535	(59)	3 297
Management services	366	3	—	369
Deposit and custody services and Securities transactions	149	302	(60)	391
Financial services (loans, guarantees, factoring etc.)	158	1 195	3	1 356
Transactional and Banking Services (current accounts, payments etc.)	148	1 035	(2)	1 181
Other net income	429	2 211	310	2 950
Depreciation/impairment of property and equipment and intangible assets	—	—	(1 292)	(1 292)
Impairment loss	(460)	83	99	(278)
Segment expenses	(3 892)	(4 246)	636	(7 502)
Profit before tax	2 186	12 146	(2 255)	12 077
Income tax	—	—	(1 821)	(1 821)
Result of segment	<b>2 186</b>	<b>12 146</b>	<b>(4 076)</b>	<b>10 256</b>
Segment assets	204 813	649 698	19 568	874 079
Segment liabilities	272 903	436 621	82 245	791 769

The income tax for all segments is presented in the segment "Other".

The Bank does not have a customer or a group of customers that would comprise more than 10 percent of the Bank's income.



## (b) Information on Geographical Areas

	Czech Republic	Slovakia	Total
<b>31.12.2024</b>			
Net interest and dividend income	9 958	5 150	15 108
Net fee and commission income	2 775	1 126	3 901
Other net income	2 683	475	3 158
Depreciation/impairment of property and equipment and intangible assets	(893)	(275)	(1 168)
Impairment loss	(683)	(157)	(840)
Segment expenses	(5 222)	(1 888)	(7 110)
Profit before tax	8 618	4 431	13 049
Income tax	(1 511)	(1 029)	(2 540)
Result of segment	<b>7 107</b>	<b>3 402</b>	<b>10 509</b>
Segment assets	785 584	184 864	970 448
Segment liabilities	757 024	134 535	891 559
<b>31.12.2023</b>			
Net interest and dividend income	10 376	4 526	14 902
Net fee and commission income	2 291	1 006	3 297
Other net income	1 831	1 119	2 950
Depreciation/impairment of property and equipment and intangible assets	(1 016)	(276)	(1 292)
Impairment loss	(58)	(220)	(278)
Segment expenses	(5 656)	(1 846)	(7 502)
Profit before tax	7 769	4 308	12 077
Income tax	(1 271)	(550)	(1 821)
Result of segment	<b>6 498</b>	<b>3 758</b>	<b>10 256</b>
Segment assets	718 615	155 464	874 079
Segment liabilities	677 034	114 735	791 769

## 35. Financial risk management

### (a) Introduction

The Bank is exposed to the following types of risk:

- Credit risk;
- Market risk; and
- Operational risk.

The Board of Directors is responsible for the overall risk management strategy which it approves and assesses on a regular basis. The Board of Directors has established the Assets and Liabilities Committee (ALCO), the Credit Committee and the Committee for Operational Risk Management. These committees are in charge of monitoring and managing individual risks with regard to individual specific fields. The committees report to the Board of Directors on a regular basis.

### (b) Credit Risk

The Bank is exposed to credit risk as a result of its trading, lending, hedging investment and brokerage activities.

Credit risk is managed at the level of individual customers (transactions) and at the portfolio level.

The Credit Operations and Strategic Credit & Integrated Risks units with their subordinate units are directly responsible for credit risk management. These departments are organisationally independent of the business divisions and report directly to a member of the Board of Directors in charge of the Risk management division (Chief Risk Officer).

Under its credit risk management policy, the Bank defines the general principles, methods and tools applied when identifying, measuring and managing credit risk. The Bank's credit risk management policy is set by the Strategic Credit & Integrated Risks unit. This policy is reviewed on a regular basis at least once a year.

In its internal guidelines, the Bank defines the underwriting approval competencies, including the definition of responsibilities and competencies of the Credit Committee.

The table below presents the maximum credit risk exposure related to balance sheet assets. Maximum credit risk exposure excludes impact of received collateral:

	31. 12. 2024	31. 12. 2023
Cash and cash balances	10 085	8 814
Financial assets at fair value through profit or loss, of which:	25 543	34 170
<i>Held for trading</i>	25 440	33 999
<i>Mandatorily at fair value</i>	103	171
Financial assets at fair value through other comprehensive income	55 369	51 953
Financial assets at amortised cost, of which:	852 188	750 474
<i>Loans and advances to banks</i>	230 665	158 548
<i>Loans and advances to customers</i>	621 523	591 926
Positive fair value of hedging derivatives	10 937	14 480
Changes in fair value of the portfolio of hedged instruments	1 879	1 122
Other assets	2 822	1 190
<b>Total</b>	<b>958 823</b>	<b>862 203</b>

The table below presents the maximum credit risk exposure related to off-balance sheet items. Maximum credit risk exposure excludes impact received collateral:

	31. 12. 2024	31. 12. 2023
Letters of credit and financial guarantees	50 583	49 376
Other contingent liabilities (undrawn credit facilities)	186 532	169 389
<b>Total</b>	<b>237 115</b>	<b>218 765</b>

#### (i) Credit Risk Management at the Level of Individual Customers

The internal rating system comprises 26 rating levels (1 to 10 adding “+” and “-” to certain rating classes, such as: 1+; 1-; 2+; etc). When classifying customers, the Bank assesses (in addition to the number of days past due with regard to overdue receivables, if any) financial indicators related to the client (such as the structure of and proportion between the statement of financial position, the income statement, and the cash flow statement), management quality, ownership structure, individual customers' market position, reporting quality, production equipment, account-use history, etc. Customers in default are assigned internal ratings of 8-, 9 or 10.

#### Corporate customers

Credit risk at the level of individual customers is managed by analysing customers' financial health and determining maximum credit risk exposure (credit limit). Analysis is focused on the customers' competitive position in the relevant market, a rating of their financial statements, prediction of future liquidity, etc. The result of this analysis is, inter alia, a rating that reflects the probability of client default and takes into account quantitative, qualitative

and behavioral factors. Analysing the financial position and setting the limits for credit exposure and rating is undertaken prior to the granting of a loan. Subsequently the rating is reviewed and creditworthiness is reassessed at least annually.

#### Retail customers

For receivables from individuals, the ability of the client to fulfil their obligations is determined using a standardised system of credit scoring based on risk-relevant features (credit application scoring). The Bank sets and regularly updates the probability of client default, using the behavioral scoring method. A client's final rating combines both application and behavioral components.

#### Credit registries

The Bank uses information provided by credit registries as an additional source of information for assessing a client's financial standing for both Corporate and Retail Client

#### Collateral

In accordance with its credit risk management strategy, prior to granting the loans, the Bank may require that the customers post

collateral for the loans. The amount and type of collateral depends on the client's financial health and the type of the loan. The Bank considers the following to be acceptable types of collateral: cash, investment grade securities, guarantees issued by other reputable entities (including bank guarantees), and pledges in form of mortgage over real estate property. When determining the realisable value of collateral, the Bank principally takes into consideration the financial health of the party providing the collateral for personal collateral (eg guarantees) and the nominal value of the collateral for non-personal collaterals such as pledge of property. The collateral is valued based on expert appraisals made by a special department of the Bank or external valuations. The realisable value of collateral is determined based on this appraised value by applying an adjusting co-efficient that reflects the Bank's ability to realise the given collateral, as and when needed.

#### ***(ii) Credit Risk Management at the Portfolio Level***

The Bank regularly analyses and monitors trends in individual credit sub-portfolios.

The Bank monitors its overall credit risk exposure, ie it takes into account all on-balance and off-balance sheet exposures and quantifies the expected losses from its credit exposure on regular basis. The expected loss is determined based on internal estimates of risk parameters, ie the probability of default (PD), exposure at default (EaD) and loss given default (LGD).

The Bank regularly monitors its credit exposure to individual industries, countries, or economically-connected groups of debtors.

The Bank assesses the concentration risk of the loan portfolio on a regular basis and establishes concentration limits as appropriate in relation to specific industries, countries, or economically-connected groups of debtors.

#### ***(iii) Classification of Receivables, Impairment Losses and Provisions***

The Bank categorises its receivables arising from financial activities on a regular basis, in accordance with IFRS 9 Financial Instruments; in particular, it divides its receivables into non-performing receivables = receivables in default (stage 3) and performing receivables = receivables without default (stages 1 and 2).

Stage 2 receivables are receivables which have experienced significant increase in credit risk between the initial recognition and balance sheet date. All receivables are regularly monitored for default and significant increase in credit risk.

#### ***Impairment Losses on Non-Performing Receivables***

Impairment losses related to individual non-performing receivables (ie stage 3 under IFRS 9 Financial Instruments) are recognised if

carrying amount of individual receivables is less than recoverable amount and the Bank does not write off such receivables (fully or partially). The Bank assesses recoverable of the amount of all receivables in respect of which the debtors are in default: (i) individually if the amount of the receivable exceeds an equivalent of MEUR 1, (ii) collectively using recovery rate derived from the relevant model which reflects historic recovery experience. The Bank writes off receivables if no income is anticipated on it or on the collateral received with regard to the given receivable.

The impairment loss is (i) for individually assessed receivables equal to the difference between the receivable's gross carrying amount and the present value of estimated future cash flows discounted at the receivable's original effective interest rate; (ii) for collectively assessed receivables equal to the lifetime expected credit loss determined on portfolio basis.

#### ***Impairment Losses on Performing Receivables***

For performing receivables that have experienced no significant increase in credit risk since origination (ie stage 1), the Bank determines the impairment loss as the portion of lifetime expected credit losses (ECL) that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date (1-year expected credit loss). For Performing receivables that have experienced a significant increase in credit risk since origination but are still performing receivables (ie stage 2), the Bank determines the impairment loss as the expected loss until the final maturity of the receivable (lifetime expected credit loss).

Credit exposures included in stage 1 due to "low credit risk exemption" amounts to MCZK 5 312 as of 31 December 2024 (31 December 2023: MCZK 1 293).

#### ***Provisions for Off-Balance Sheet Items***

The Bank recognises such provisions using the same methods as are used in determining impairment losses on receivable portfolios while taking into account conversion factors related to the specific type of the off-balance exposure.

#### ***Impact of ESG Topics on Impairment Losses***

In coordination with the UniCredit Group's activities data collection and delivery for stress testing and regulatory reporting (e.g. regarding physical risks, transitional risks and energy performance certificate) were carried out. As of 31 December 2024, the Bank identified the impact stemming from both physical and transitional risks in amount of MCZK 141 (of which MCZK 95 on CZ corporate loans and MCZK 46 on SK corporate loans) and considered this amount as an increase of ECL via post-model-adjustment. Granular implementation to each exposure relevant to such kinds of risk is foreseen for year 2025.

The Bank is aware of the importance of ESG topic for the future and makes steps to be prepared to cover the upcoming requirements. Accordingly, UniCredit Group signed up to the Net-Zero Banking Alliance. Additionally, a methodology to estimate the potential actual annual deterioration of the fair value (FV) of the collaterals behind the mortgage portfolio has been developed. The Bank is active to promote the ESG topic in communication with clients and to support them to provide necessary information using implemented questionnaires. Data collection and assessment from ESG questionnaire process is mandatory part of approval process for high-end exposure part of portfolio with further future extension of the process to different client groups. The Bank is a member of the regular ESG committee of the Czech Banking Association, supporting and cooperating on activities targeting future smooth data collection and processing helping clients to reduce data collection burden. A part of this activity is the creation and the implementation of harmonized questionnaire, which will be used by all larger banks on the Czech and Slovak markets to collect data related to ESG. Internal implementation project regarding data storage and processing is in progress.

#### ***(iv) Forbearance***

The Bank classifies loan receivables as forbore if the originally agreed payment conditions were changed since the loan provision due to customers' financial difficulties (changes predominantly include payment deferral, temporary payment reduction, postponement of the ultimate due date, etc). These items are recognised in the statement of financial position either as non-performing loan receivables or performing loan receivables.

Loan receivables with a change in the originally-agreed payment conditions are generally classified as non-performing loan receivables. Following a robust assessment, the Bank may categorise individual receivables as performing receivables, despite a change in the conditions. This approach is applied if the reasons for the change of the payment conditions are not serious and the Bank does not anticipate incurring a loss from the future collection of such loan receivables.

Performing receivables also include receivables originally classified as non-performing receivables upon the change of payment conditions and which were subsequently transferred into the category of Performing loan receivables because the debtor complied with newly-agreed conditions in line with the Bank's internal rules. This group accounts for the majority of loan receivables reported as forbore – performing receivables.

Loan receivables with changed payment conditions are managed by Credit Restructuring & Workout Department and are subject to standard restructuring and workout procedures and monitoring. The exception is receivables that are not assessed as non-performing

receivables upon a change of the payment conditions. These loans are only managed by Credit Restructuring & Workout Department after a thorough assessment of the need to use the know-how of this specialised unit. When releasing receivables from the management of this unit, the statuses of individual cases and the need to use the know-how of the Credit Restructuring & Workout staff is also carefully reviewed.

The period for which the client is designated as forbore is referred to as the probation period and lasts a minimum of two years from the client default /forbearance if the forbearance was without client default. In addition, this period can only be terminated if the client fulfils the agreed conditions duly and timely, is not in delay in excess of 30 days. For amortizing loans, the debt must be reduced by at least 10% during probation period.

Due to the size of the forbore portfolio and the above procedures and practices, we have not identified any serious threats for the Bank resulting from this portfolio. This is supported by the fact that a portion of receivables with changed payment conditions in order to overcome the debtor's deteriorated financial position is reclassified once more as non-performing (recognised in the Bank's statement of financial position as non-performing forbore receivable – see above).

#### ***(v) Recovery of Receivables***

The Bank has established the Credit Workout & Restructuring Department which manages the receivables whose recoverability is at risk (both Non-performing and Performing). The purpose of this unit involves achieving one or a number of the following goals in respect of risk-bearing credit receivables:

- a. "Revitalisation" of the credit arrangement, restructuring and subsequent reclassification into standard receivables;
- b. Full repayment of the credit;
- c. Minimisation of the loss from the credit (realisation of collateral, sale of the receivable with a discount, etc); and/or
- d. Prevention of additional losses from the loan (comparison of future expenses versus income).

#### ***(c) Market Risk***

##### ***(i) Trading***

The Bank holds trading positions in various financial instruments, including financial derivatives. The majority of the Bank's business activities are driven by the requirements of the Bank's customers. Depending on the predicted demand of its customers, the Bank holds a supply of financial instruments and maintains access to the financial markets through quoting of the bid and offer prices and by trading with other market makers. These positions are also held for the purpose of short term profit taking on the expected future development of financial markets and the instruments are classified

in line with IFRS 9 Financial instruments as held for trading. The Bank's business strategy is thus affected by short term profit taking and market-making and its goal is to maximise net income from trading.

The Bank manages risks associated with its trading activities at the level of individual types of risk and types of financial instruments. The basic tools used for market risk management are limits on the volumes applicable to individual transactions, limits for portfolio sensitivity (basis point value, or BPV), stop loss limits, and value at risk (VaR) limits. The description quantitative methods applied in risk management are included in the following section "Market risk management".

The majority of derivatives are negotiated on the OTC market due to the non-existence of a public market for financial derivatives in the Czech Republic.

#### ***(ii) Market Risk Management***

Below are described selected types of risk to which the Bank is exposed through its trading activities as well as managing the positions resulting from these activities and managing these risks. There is also market risk exposure in the Bank's banking book which corresponds to portfolios of financial instruments not held for trading. Market Risk is measured for the Trading and Banking book separately and also collectively. The procedures applied by the Bank to measure and manage these risks are described in detail in the following paragraphs.

The Bank is exposed to market risk arising from its open positions in interest rate, equity and foreign currency instrument transactions that are sensitive to changes in the situation on the financial market.

The Bank's risk management focuses on managing the total net exposure to interest rate risk resulting from the Bank's structure of assets and liabilities. The Bank monitors interest rate risk by measuring the sensitivity of particular assets and liabilities which mature/reprice in specific time interval. This sensitivity is expressed by the change in the values of assets and liabilities if interest rates increase by one basis point (BPV). For hedge accounting purposes, the Bank identifies specific assets/liabilities causing this mismatch so that the accounting criteria for the application of hedge accounting are met.

#### ***Value at Risk***

Value at Risk represents the main method for managing market risks arising from the Bank's open positions. Value at Risk represents the potential loss from an unfavourable movement on the market within a certain time period at a certain confidence level. Value at Risk is measured based on a 1-day holding period and a confidence level of 99%. The Bank's Value at Risk ("VaR") model calculations have the following limitations:

- The one-day holding period assumes that all positions can be closed during a single day. This assumption does not necessarily apply to markets with lower liquidity.
- The 99% confidence level does not reflect all possible losses that can occur at this confidence level.
- VaR is calculated from the positions at the end of the trading day and does not consider the positions which can be opened on an "intra-day" basis.
- Using historical data as a basis for determining possible future developments does not necessarily cover all possible future scenarios, especially crisis scenarios.

The Bank uses VaR to measure interest rate risk, foreign currency risk, equity risk and other types of risk connected with the negative movements in the prices of market factors (spread risk, option risk, etc). The aggregate structure of VaR limits is approved by the Assets and Liabilities Committee (ALCO). At least once a year, the structure and amount of limits are revised in accordance with the Bank's needs and developments on the financial markets. The results of the VaR calculation are published daily for selected users (Board of Directors, selected employees of the Financial Markets Department, the Market Risk Department, the Assets & Liabilities Management Unit, and selected employees of UniCredit group).

The VaR calculation divides the calculated risk into interest rate and credit portions. The credit portion of VaR is calculated based on the volatility of the credit spread between securities and the risk free interest rate. For this purpose, the yield curves of particular issuers, industries, or groups of issuers with identical rating are downloaded into the system for market risk management. Specific securities are mapped to these yield curves and the volatility of the credit spread is calculated. The Bank regularly reassesses the mapping of debt securities with the relevant yield curves and, if necessary, the debt securities are re-mapped to curves that reliably reflect the credit risk of the specific debt securities.

The outputs of the VaR calculation model are back-tested and compared with the results of the changes to interest rates on the financial markets on a daily basis. If the Bank identifies any inaccuracies, the model is adjusted to correspond with the current development on the financial markets.

The table below shows the Values at Risk:

	At 31 Dec 2024	Average for 2024	At 31 Dec 2023	Average for 2023
<b>Czech Republic</b>		<b>Czech Republic</b>		
VaR of Financial assets at fair value through profit or loss Held for trading	19.55	16.89	14.08	13.09
VaR of Financial assets at fair value through other comprehensive income	119.69	161.07	177.67	240.60
<b>Slovakia</b>		<b>Slovakia</b>		
VaR of Financial assets at fair value through profit or loss Held for trading	0.98	1.49	2.09	2.39
VaR of Financial assets at fair value through other comprehensive income	—	—	—	—

#### Value at Risk

In 2024, the Czech economy experienced a moderate recovery. Gross domestic product (GDP) grew by 1.1%, driven mainly by renewed household consumption. Inflation stabilized at around 2%, which contributed to the growth of real wages.

In the area of financial assets measured at fair value through profit or loss held for trading, the position of UniCredit Bank Czech Republic and Slovakia, a.s. remained stable in 2024, without significant fluctuations.

In line with the bank's strategy, the position in government bonds among financial assets measured at fair value through other comprehensive income was further increased in 2024. This step was supported by the stabilization of inflation and moderate economic growth, which created favorable conditions for investments in government bonds.

Overall, the bank's exposure to market risks was carefully managed in 2024, which led to the Value at Risk (VaR) being maintained at a stable level.

#### Interest Rate Risk

The Bank is exposed to interest rate risk because of mismatch in interest-bearing assets and liabilities maturities, re-pricing periods and notional in defined time buckets (gap or mismatch risk). In the event of a change in interest rates, the Bank is also exposed to interest rate risk as a result of the different mechanism or timing of adjustments to particular types of interest rates (such as PRIBOR), declared interest rates on deposits (basis risk and yield curve risk). Interest risk management is focused on optimising the Bank's net interest income in accordance with the strategies approved by the Board of Directors.

The overall interest rate position of the Bank is measured primarily by calculating the sensitivity of the change in the fair value of the portfolio to a shift in interest rates by one basis point (BP01). Interest rate sensitivity is measured with a breakdown by time period and individually by currency. Different interest rate risks related to

individual currencies are offset within individual time buckets and aggregate short and long positions. The main positions are represented by CZK and EUR.

The utilization of the base point value (BP01) remained generally stable during the period considered.

Interest rate derivatives are generally used to manage the mismatch between the interest sensitivity of assets and liabilities. These transactions are carried out in accordance with the internal Liquidity Management Policy and the internal Funds Transfer Pricing Policy and by the Strategy of Interest Rate Risk Management in the Banking Book approved by the Board of Directors. Part of the Bank's income is generated by the intentional mismatch between the assets and liabilities that are interest rate-sensitive.

The Bank applies a "Basis Point Value (BPV)" approach for measuring interest sensitivity of assets and liabilities. BPV represents the change in the present value of cash flows derived from individual instruments if interest rates increase by one basis point (0.01%), ie it represents the sensitivity of instruments to interest rate risks.

The Bank has set up interest rate risk limits to restrict oscillation of net interest income resulting from changes of interest rates by 0.01% (the "BPV limit").

#### Stress Testing of Interest Rate Risk

The Bank carries out monthly following stress scenarios:

- Bank calculates simulated impact to Economic Value of Equity ("EVE") under stress scenarios of significant movements in financial markets, internally defined low probability scenarios and UniCredit Group macro scenarios.
- Bank calculates the impact to Net Interest Income ("NII") under stress scenarios of significant movements in financial markets.

Both stress tests are on a monthly basis compared to set of Risk Appetite Framework ("RAF") Triggers.



#### EVE stress test

EVE, ie the economic value of equity, is calculated as the present value of all cash flows of assets decreased by the present value of all cash flows of liabilities. In other words, it is the net present value ("NPV") of all the Bank's future cash flows.

The stress test aims to express the increase / decrease of this net NPV depending on the shock change of market factors and

to compare the decrease of NPV with the set limits (internal and regulatory). Supervisory outlier test ("SOT"): Parallel Up, Parallel Down, Flattening, Steepening, Short rates up or down.

The following table shows the impact of the stress scenarios on the Bank's EVE results. The Bank uses the euro as the base currency for stress testing results.

	Parallel up	Parallel down	Flattening	Steepening	Rates up	Rates down
<b>SOT test (% impact on Tier 1) 2024</b>						
Maximal impact of the stress test	-5.44%	5.15%	-4.01%	5.31%	-5.18%	2.71%
Minimal impact of the stress test	-8.72%	2.78%	-6.62%	3.27%	-8.03%	2.14%
Average impact of the stress test	-6.78%	3.79%	-5.26%	3.84%	-6.56%	2.42%
RAF Trigger (31.12.2024)	-12.00%	-12.00%	-12.00%	-12.00%	-12.00%	-12.00%
<b>SOT test (% impact on Tier 1) 2023</b>						
Maximal impact of the stress test	-8.00%	5.96%	-5.78%	3.92%	-7.40%	2.89%
Minimal impact of the stress test	-10.94%	2.69%	-6.71%	3.04%	-8.33%	2.12%
Average impact of the stress test	-9.24%	3.86%	-6.25%	3.45%	-8.01%	2.42%
RAF Trigger (31.12.2023)	-13.70%	-13.70%	-13.70%	-13.70%	-13.70%	-13.70%

#### NII stress test

The two main stress scenarios correspond to a parallel shift in the yield curve SOT\_NII\_Parallel\_up and SOT\_NII\_Parallel\_down by  $\pm 200$  basis points.

The following table shows the impact of these two main scenarios on the bank NII as a percentage portion against the Tier 1.

	RAF Parallel Up	RAF Parallel Down
<b>Net interest income (% impact on NII budget) 2024</b>		
Maximal impact of the stress test	0.87%	-0.23%
Minimal impact of the stress test	-2.18%	-1.51%
Average impact of the stress test	-0.81%	-0.70%
RAF Trigger	-4.50%	-4.50%
<b>Net interest income (% impact on NII budget) 2023</b>		
Maximal impact of the stress test	3.75%	0.70%
Minimal impact of the stress test	-0.70%	-3.77%
Average impact of the stress test	1.94%	-1.96%
RAF Trigger	-13.00%	-13.00%

#### **Hedge Accounting**

As part of its market risk management strategy, the Bank hedges against interest rate risk. The Bank's hedge strategy uses both fair value hedges and cash flow hedges.

Fair value hedges are used for reducing the price interest rate risk of issued bonds, purchased securities, loans or deposits. Cash flow hedges are used to eliminate uncertainty in future cash flows in order to stabilise Net interest income; in other words to manage reinvestment risk.

#### *Fair Value Hedging*

Hedged instruments include separately financial assets and liabilities recognised at amortised cost and debt financial assets at fair value through other comprehensive income. Hedging instruments are derivatives (most commonly interest rate swaps and cross currency swaps).



At the inception of the hedge relationship, the Bank performs a prospective fair value hedge effectiveness test on the basis of future changes in fair values of hedged and hedging instruments and of expected interest rates movements (the “prospective test”). On the basis of actual interest rate developments, a test of effectiveness is carried out monthly. The Bank undertakes monthly effectiveness testing to be able to detect possible non-effectiveness of the hedge relationships.

For particular hedged items and hedging transactions (loans, deposits, securities, interest rate swaps, etc), specific dates and amounts of cash flows are determined from the inception of a hedge relationship until the maturity of the hedged instrument. The present values of particular cash flows for the relevant date (date of effectiveness measurement) are determined on the basis of the discount factors for specific currencies. The fair value of a transaction is the sum of discounted cash flows from the relevant trade at the given time. The cumulative change of the fair value is determined by comparing the fair value in the given time with the initial valuation. These cumulative changes are further netted for realised cash flows by adding them back or subtracting. The hedge effectiveness is measured using the comparison of the cumulative change in the fair value of the hedged and hedging instrument. The hedge is considered effective if the proportion of cumulative fair value changes of hedged and hedging instruments is between 80% and 125%.

In the table below, the Bank sets out the accumulated fair value adjustments arising from the corresponding continuing hedge relationships, irrespective of whether or not there has been a change in hedge designation during the year.

	Carrying amount of hedged items (excluding the accumulated fair value hedge adjustment)		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
<b>31 Dec 2024</b>				
<b>Fair Value Hedge</b>				
<i>Micro fair value hedges</i>				
Interest rate risk – see “A” below	95 443	51 056	307	670
<i>Portfolio fair value hedges</i>				
Interest rate risk – see “B” below	252 911	143 001	1 879	(4 632)
<b>31 Dec 2023</b>				
<b>Fair Value Hedge</b>				
<i>Micro fair value hedges</i>				
Interest rate risk – see “A” below	80 013	44 635	591	416
<i>Portfolio fair value hedges</i>				
Interest rate risk – see “B” below	168 448	131 483	1 122	(6 540)

The corresponding Statement of Financial Position line items, where the hedged item and the cumulative fair value changes are recorded, include:

“A” represents hedging of

- Loans presented in the line “Financial assets at amortised cost, of which: Loans and advances to customers”,
- Purchased bonds presented in the line “Financial assets at fair value through other comprehensive income”,
- Money-markets trades presented in the line “Financial liabilities at amortised cost, of which: Deposits from banks” and
- Issued bonds presented in the line “Financial liabilities at amortised cost, of which: Debt securities issued”.

“B” represents hedging of

- Loans presented in the line “Financial assets at amortised cost, of which: Loans and advances to customers” and
- Currents accounts presented in the line “Financial liabilities at amortised cost, of which: Deposits from customers”.

Hedging instruments are represented by hedging derivatives presented in the item “Positive fair value of hedging derivatives” or “Negative fair value of hedging derivatives”.

The table below sets out the outcome of the Bank's hedging strategy, in particular, to changes in the fair value of the hedged items and hedging instruments in the current year and the comparative year, used as the basis for recognising ineffectiveness:

	Gains/(losses) attributable to the hedged risk		Hedge ineffectiveness
	Hedged items	Hedging instruments	
<b>31 Dec 2024</b>			
<b>Fair Value Hedge</b>			
<i>Micro fair value hedges</i>			
Interest rate risk	(665)	666	1
<i>Portfolio fair value hedges</i>			
Interest rate risk	(1 176)	1 175	(1)
<b>31 Dec 2023</b>			
<b>Fair Value Hedge</b>			
<i>Micro fair value hedges</i>			
Interest rate risk	3 333	(3 332)	1
<i>Portfolio fair value hedges</i>			
Interest rate risk	(1 869)	1 870	1

#### Cash Flow Hedging

In compliance with IAS 39, Cash Flow Hedging is used to hedge an uncertain (variable) future cash flow (interest payments) which may affect the future P/L in a negative manner. To this end, the interest flows of hedged instruments and related derivatives designated as hedging instruments are projected for the future (forecast transactions). Hedging shall apply to the risk of variability of interest flows arising from the determined assets, liabilities, planned or forecast transactions (or portions thereof), depending on the change of interest rates. Hedging shall be considered to be effective if the basic assumption that the net cash flow related to the hedging instrument in each time bucket is lower than, or equal to, the cash flow from the hedged instruments is met. Projected Cash flow from Derivative Gap is compared to the Projected Cash flow of hedged balance sheet item – there has to be an excess of hedged (so called Cashflow test).

In addition to meeting this test, the following prospective and retrospective tests must be performed to demonstrate effectiveness:

#### Prospective test:

- Cashflow test
- Fair value test – Sensitivity to future interest rates movements is calculated for both hedged and hedging instrument and compared to prove the hedge relationship to be effective, i.e. total delta is in the range 80–125%.

#### Retrospective test:

- Historical changes in Fair Value of both hedged and hedging instrument are compared to prove the hedge relationship to be effective, i.e. in the range mentioned above, and
- Historical monthly changes in Fair Value of both hedged and hedging instrument are compared to prove the hedge relationship to be effective.

The table below sets out the Bank's financial assets and financial liabilities designated as hedged items in continuing cash flow hedge relationships and the outcome of the Bank's hedging strategy:

	Cash flow hedge reserve		Net changes in fair value of hedging instruments used for measuring hedge ineffectiveness		
	Continuing hedges	Discontinued hedges	in total	Effective portion recognised in OCI	Hedge ineffectiveness recognised in the income statement in net trading income
<b>31 Dec 2024</b>					
<b>Cash Flow Hedge</b>					
<i>Portfolio cash flow hedges</i>					
Interest rate risk – see “A” below	(4 638)	12	1 255	1 255	–
<b>31 Dec 2023</b>					
<b>Cash Flow Hedge</b>					
<i>Portfolio cash flow hedges</i>					
Interest rate risk – see “A” below	(5 899)	17	4 384	4 384	–

The corresponding Statement of Financial Position line items, where the hedged item and the cumulative fair value changes are recorded, include:

“A” comprises hedging of:

- Loans presented in the line “Financial assets at amortised cost, of which: Loans and advances to customers” and line “Financial assets at amortised cost, of which: Loans and advances to banks”,
- Purchased float bonds presented in the line “Financial assets at fair value through other comprehensive income”,
- Deposits presented in the line “Financial liabilities at amortised cost, of which: Deposits from customers” and line “Financial liabilities at amortised cost, of which: Deposits from banks” and
- Issued bonds presented in the line “Financial liabilities at amortised cost, of which: Debt securities issued”.

Hedging instruments are represented by hedging derivatives presented in the item “Positive fair value of hedging derivatives” or “Negative fair value of hedging derivatives”.

The maturity profile of hedging instruments is included in section V. Other Notes, point 33. Contingent liabilities, contingent assets and financial derivatives.

The following table provides a reconciliation by risk category of components of equity and analysis of the other comprehensive income statement items from hedge accounting:

	2024	2023
<b>Cash Flow Hedging Reserve</b>		
<i>Interest rate risk</i>		
As at 1 January	(4 644)	(8 284)
Change in fair value	2 675	6 027
Revaluation reclassified to profit or loss	(1 420)	(1 643)
Deferred tax	(175)	(744)
<b>Total at 31 December</b>	<b>(3 564)</b>	<b>(4 644)</b>

### Currency Risk

Assets and liabilities denominated in foreign currencies, including off-balance sheet exposures, comprise the Bank's exposure to currency risks. Both realised and unrealised foreign exchange gains and losses are reported directly in the income statement.

The Bank has established a system of currency risk limits based on its net currency exposure in individual currencies.

The following table shows the structure of assets and liabilities by currency (not including potential impact of off-balance sheet exposures):

	CZK	EUR	USD	CHF	Other	Total
<b>At 31 Dec 2024</b>						
Cash and cash balances	4 560	4 649	512	56	308	10 085
Financial assets at fair value through profit or loss, <i>of which:</i>	25 439	1	103	–	–	25 543
Held for trading	25 439	1	–	–	–	25 440
Mandatorily at fair value	–	–	103	–	–	103
Financial assets at fair value through other comprehensive income	44 812	10 557	–	–	–	55 369
Financial assets at amortised cost	455 476	394 989	1 097	143	483	852 188
<i>of which:</i>						
Loans and advances to banks	187 280	43 373	12	–	–	230 665
Loans and advances to customers	268 196	351 616	1 085	143	483	621 523
Positive fair value of hedging derivatives	10 937	–	–	–	–	10 937
Changes in fair value of the portfolio of hedged instruments	976	903	–	–	–	1 879
Equity-accounted investees	3 979	–	–	–	–	3 979
Other assets	1 664	1 140	13	1	4	2 822
<b>Total exposure – assets</b>	<b>547 843</b>	<b>412 239</b>	<b>1 725</b>	<b>200</b>	<b>795</b>	<b>962 802</b>
Financial liabilities at fair value through profit or loss, <i>of which:</i>	23 846	–	–	–	–	23 846
Held for trading	23 846	–	–	–	–	23 846
Financial liabilities at amortised cost						
<i>of which:</i>	468 385	349 496	17 284	818	3 746	839 729
Deposits from banks	3 418	20 401	24	–	3	23 846
Deposits from customers	457 086	223 208	17 260	818	3 743	702 115
Debt securities issued	7 881	105 887	–	–	–	113 768
Negative fair value of hedging derivatives	23 771	–	–	–	–	23 771
Changes in fair value of the portfolio of hedged instruments	(4 350)	(282)	–	–	–	(4 632)
Other liabilities	3 380	3 738	409	34	90	7 651
Provisions for risks and charges	619	466	35	10	7	1 137
<b>Total exposure – liabilities</b>	<b>515 651</b>	<b>353 418</b>	<b>17 728</b>	<b>862</b>	<b>3 843</b>	<b>891 502</b>
Gap	32 192	58 821	(16 003)	(662)	(3 048)	71 300

	CZK	EUR	USD	CHF	Other	Total
<b>At 31 Dec 2023</b>						
Cash and cash balances	4 026	4 064	460	26	238	8 814
Financial assets at fair value through profit or loss, <i>of which:</i>	33 996	3	171	–	–	34 170
Held for trading	33 996	3	–	–	–	33 999
Mandatorily at fair value	–	–	171	–	–	171
Financial assets at fair value through other comprehensive income	41 025	10 928	–	–	–	51 953
Financial assets at amortised cost	387 434	359 044	3 372	181	443	750 474
<i>of which:</i>						
Loans and advances to banks	133 655	22 637	2 256	–	–	158 548
Loans and advances to customers	253 779	336 407	1 116	181	443	591 926
Positive fair value of hedging derivatives	14 480	–	–	–	–	14 480
Changes in fair value of the portfolio of hedged instruments	610	512	–	–	–	1 122
Equity-accounted investees	3 979	–	–	–	–	3 979
Other assets	626	545	13	–	6	1 190
<b>Total exposure – assets</b>	<b>486 176</b>	<b>375 096</b>	<b>4 016</b>	<b>207</b>	<b>687</b>	<b>866 182</b>
Financial liabilities at fair value through profit or loss, <i>of which:</i>	33 373	–	–	–	–	33 373
Held for trading	33 373	–	–	–	–	33 373
Financial liabilities at amortised cost						
<i>of which:</i>	439 891	269 139	11 492	939	3 093	724 554
Deposits from banks	2 780	26 187	4	–	1	28 972
Deposits from customers	429 250	172 289	11 488	939	3 092	617 058
Debt securities issued	7 861	70 663	–	–	–	78 524
Negative fair value of hedging derivatives	30 141	–	–	–	–	30 141
Changes in fair value of the portfolio of hedged instruments	(5 759)	(781)	–	–	–	(6 540)
Other liabilities	2 916	5 257	395	5	65	8 638
Provisions for risks and charges	717	595	71	11	10	1 404
<b>Total exposure – liabilities</b>	<b>501 279</b>	<b>274 210</b>	<b>11 958</b>	<b>955</b>	<b>3 168</b>	<b>791 570</b>
Gap	(15 103)	100 886	(7 942)	(748)	(2 481)	74 612

The table below shows the marginal Values at Risk for currency risk representing contribution of currency risk to total VaR of Financial assets at fair value through profit or loss Held for trading and all currency risk as all open FX positions are closed within Financial assets at fair value through profit or loss Held for trading:

	At 31 Dec 2024	Average for 2024	At 31 Dec 2023	Average for 2023
	Czech Republic		Czech Republic	
VaR of Financial assets at fair value through profit or loss Held for trading	17.24	15.31	10.60	7.18
	Slovakia		Slovakia	
VaR of Financial assets at fair value through profit or loss Held for trading	0.09	0.12	0.11	0.31

### **Equity Risk**

Equity risk is the risk of movement in the prices of equity instruments held in the Bank's portfolio and of financial derivatives derived from these instruments. The main source of this risk is trading in equity instruments, although equity risk also arises as a result of the Bank's non-trading activities. The risks associated with equity instruments are managed using trading limits. The methods used to manage these risks are described above.

### **Liquidity Risk**

Liquidity risk arises due to the way the Bank's finances its activities and manages its positions. It includes the risk the Bank would be unable to finance its assets using instruments with appropriate maturity and the risk that the Bank would be unable to dispose of its assets for an appropriate price within the necessary time period.

The Bank has access to diversified sources of funds, which comprise deposits and other savings, securities issued, loans taken (including subordinated loans) and its own equity capital. This diversification makes the Bank flexible and limits its dependency on a single funding source. The Bank regularly evaluates the liquidity risk, in particular by monitoring changes in the structure of funding and comparing these changes with the Bank's liquidity risk management strategy, which is approved by the Board of Directors. As part of its liquidity risk management strategy, the Bank holds a proportion of its assets in highly liquid funds, such as state treasury bills and similar bonds.

Liquidity risk is evaluated regularly by the Bank by analysing of differences between the residual maturity of assets and liabilities across time buckets. Two approaches are used: short-term and long-term (structural). In the short-term approach, the Bank daily monitors in detail the difference between liquidity inflows and outflows. Limits are set for cumulative inflows and outflows with an outlook of several weeks. If limits are breached, the Bank takes action to reduce the liquidity risk. In the long-term (structural) perspective, the Bank monitors the difference between the maturity of assets and liabilities for periods longer than one year. The Bank sets limits and appropriate action is taken if they are breached (eg by acquiring long-term sources of refinancing).

The Bank has a contingency plan in the event of a liquidity crisis. This plan defines the roles, responsibilities and process of crisis management. It also defines the possible measures which should be considered in the event of an emergency situation.

Stress tests of short-term liquidity are performed by the Bank on a monthly or a weekly basis respectively (based on the development of liquidity indicators or in the case of "liquidity attention phase" activation). The stress tests verify the Bank's ability to overcome extreme situations, such as systemic interruption of the inter-bank money market, a decrease in the Bank's credit rating, IT system breakdowns, and reputation risk to the Bank. The stress scenarios' results are presented to the ALCO.

The following table shows undiscounted cash flows of financial assets and financial liabilities, issued guarantees and provided loan facilities:

	Carrying amount	Net cash flow	Up to 3 months	3 months – 1 year	1–5 year	Over 5 years	Unspecified.
<b>At 31 Dec 2024</b>							
Cash and cash balances	10 085	10 085	10 078	–	–	3	4
Financial assets at fair value through profit or loss, <i>of which:</i>	25 543	53 260	4 014	9 080	27 835	12 331	–
held for trading debt and equity instruments	24	30	–	1	14	15	–
held for trading derivatives	25 416	53 127	4 014	9 079	27 821	12 213	–
mandatorily at fair value	103	103	–	–	–	103	–
Financial assets at fair value through other comprehensive income	55 369	66 292	545	3 223	29 631	32 893	–
Financial assets at amortised cost, <i>of which:</i>	852 188	972 985	291 347	81 144	299 191	298 099	3 204
Loans and advances to banks	230 665	234 596	224 372	10 223	–	–	1
Loans and advances to customers	621 523	738 389	66 975	70 921	299 191	298 099	3 203
Positive fair value of hedging derivatives	10 937	25 608	1 259	3 429	16 146	4 774	–
Changes in fair value of the portfolio of hedged instruments	1 879	1 879	–	–	–	1 879	–
Equity-accounted investees	3 979	3 979	–	–	–	3 979	–
Other assets	2 822	2 822	2 507	315	–	–	–
<b>Total exposure – assets</b>	<b>962 802</b>	<b>1 136 910</b>	<b>309 750</b>	<b>97 191</b>	<b>372 803</b>	<b>353 958</b>	<b>3 208</b>
Financial liabilities at fair value through profit or loss, <i>of which:</i>	23 846	23 846	11 266	10 229	600	1 751	–
held for trading derivatives	23 846	23 846	11 266	10 229	600	1 751	–
Financial liabilities at amortised cost, <i>of which:</i>	839 729	776 901	694 691	40 261	26 371	15 578	–
Deposits from banks	23 846	23 874	11 294	10 229	600	1 751	–
Deposits from customers	702 115	703 595	679 777	21 625	999	1 194	–
<i>of which:</i>							
Lease liabilities	2 039	2 321	290	99	749	1 183	–
Other than lease liabilities	700 076	701 274	679 487	21 526	250	11	–
Debt securities issued	113 768	49 432	3 620	8 407	24 772	12 633	–
Negative fair value of hedging derivatives	23 771	45 660	1 723	5 648	27 804	10 485	–
Changes in fair value of the portfolio of hedged instruments	(4 632)	(4 632)	(4 632)	–	–	–	–
Other liabilities	7 651	7 651	5 868	1 783	–	–	–
Provisions for risks and charges	1 137	1 137	379	120	177	461	–
<b>Total exposure – liabilities</b>	<b>891 502</b>	<b>850 563</b>	<b>709 295</b>	<b>58 041</b>	<b>54 952</b>	<b>28 275</b>	<b>–</b>
Gap	71 300	286 347	(399 545)	39 150	317 851	325 683	3 208
Undrawn loan facilities	50 973	50 975	50 975	–	–	–	–
Bank guarantees	186 891	186 891	186 891	–	–	–	–

Please note that the Net cash flow from Undrawn loan facilities and Bank guarantees are presented in the time bucket “Up to 3 months” as the worst-case scenario.



	Carrying amount	Net cash flow	Up to 3 months	3 months – 1 year	1–5 year	Over 5 years	Unspecified.
<b>At 31 Dec 2023</b>							
Cash and cash balances	8 814	8 814	8 751	–	–	60	3
Financial assets at fair value through profit or loss, of which:	34 170	98 093	5 505	15 187	50 649	26 752	–
held for trading debt and equity instruments	3	3	–	–	–	3	–
held for trading derivatives	33 996	97 919	5 505	15 187	50 649	26 578	–
mandatorily at fair value	171	171	–	–	–	171	–
Financial assets at fair value through other comprehensive income	51 953	62 717	495	3 382	24 635	34 205	–
Financial assets at amortised cost, of which:	750 474	848 376	211 872	79 794	285 012	267 961	3 737
Loans and advances to banks	158 548	158 770	155 027	3 732	11	–	–
Loans and advances to customers	591 926	689 606	56 845	76 062	285 001	267 961	3 737
Positive fair value of hedging derivatives	14 480	73 720	4 036	11 166	44 866	13 652	–
Changes in fair value of the portfolio of hedged instruments	1 122	1 122	–	–	–	1 122	–
Equity-accounted investees	3 979	3 979	–	–	–	3 979	–
Other assets	1 190	1 190	919	271	–	–	–
<b>Total exposure – assets</b>	<b>866 182</b>	<b>1 098 011</b>	<b>231 578</b>	<b>109 800</b>	<b>405 162</b>	<b>347 731</b>	<b>3 740</b>
Financial liabilities at fair value through profit or loss, of which:	33 373	96 310	5 852	14 827	50 445	25 186	–
held for trading derivatives	33 373	96 310	5 852	14 827	50 445	25 186	–
Financial liabilities at amortised cost, of which:	724 554	740 229	619 829	28 527	78 234	13 516	123
Deposits from banks	28 972	29 156	22 941	4 797	572	723	123
Deposits from customers	617 058	618 862	596 034	20 476	1 228	1 124	–
of which:							
Lease liabilities	2 042	2 355	271	94	870	1 120	–
Other than lease liabilities	615 016	616 507	595 763	20 382	358	4	–
Debt securities issued	78 524	92 211	854	3 254	76 434	11 669	–
Negative fair value of hedging derivatives	30 141	91 876	4 184	12 094	51 747	23 851	–
Changes in fair value of the portfolio of hedged instruments	(6 540)	(6 540)	(6 540)	–	–	–	–
Other liabilities	8 638	8 638	6 821	1 817	–	–	–
Provisions for risks and charges	1 404	1 404	239	132	330	620	83
<b>Total exposure – liabilities</b>	<b>791 570</b>	<b>931 917</b>	<b>630 385</b>	<b>57 397</b>	<b>180 756</b>	<b>63 173</b>	<b>206</b>
Gap	74 612	166 094	(398 807)	52 403	224 406	284 558	3 534
Undrawn loan facilities	49 947	49 947	49 947	–	–	–	–
Bank guarantees	170 079	170 079	170 079	–	–	–	–

#### (d) Operational Risk

Operational risk is the risk of loss due to deficiencies or failures of internal processes, people and systems or external events. This definition includes legal risk, however, it does not include strategic or reputation risk. Legal risk includes, inter alia, the risk of fines, sanctions or punitive damages resulting from supervision measures and private settlement.

The Bank's organisational structure and its internal rules fully respect the segregation of incompatible duties to prevent conflict of interests. Internal rules unambiguously define the obligations and competencies of employees, including management, and regulate the working processes and control activities. The Non-Financial Risks and Control Committee is the main control and decision body regarding operational risk. All members of the Board of Directors are permanent members of the committee. The Non-Financial Risks Department is an independent body reporting directly to a member of the Board of Directors in charge of risk management. The Operational Risk Department is authorised

to secure unified and coordinated operational risk management in accordance with the applicable regulations and the standards of the parent company.

Operational risk management and monitoring is performed by authorised employees of individual departments. The Internal Audit Department identifies extraordinary trends and breach of or non-compliance with directives and assesses the control and management system's functionality.

The Bank has continued developing and setting up its comprehensive system for the identification, monitoring and management of operational risk. In line with the 2024 Operational Risk Management Strategy, the Bank defined its priorities with respect to mitigating operational risk exposure that are consistent with the risk profile and risk appetite of the Bank. The operational risk appetite is the operational risk level acceptable to the Bank and is measured using ELOR (Expected Loss on Revenue), which is the proportion of anticipated losses arising from operational risk (estimate based on historical data) to income (budgeted income on a quarterly basis). Setting the ELOR limit and its monitoring was performed in line with the Bank's policies.

To ensure effective collection of operational risk events and data, the Bank uses an on-line information system developed by UniCredit Group. The system complies with the requirements for capital adequacy management. The data acquired through the system is taken into account when calculating the capital requirement and when managing operational risk. It serves as the basis for designing processes that reduce the number of particular events and mitigate the consequences (eg when preparing process mitigation measures or the Bank's strategic insurance plan). The data is also used for reviewing the reliability of proposed measures for operational risk mitigation. The data is collected on a continuous basis in cooperation with individual departments of the Bank (all significant events are reported and resolved immediately). Based on the collected data, a quarterly consolidated report is prepared, which is presented to the Operational Risk Management Committee and distributed within the Bank. The Board of Directors, the Internal Audit Department and the parent company are informed about the most significant cases of operational risk on a weekly basis, or immediately if necessary. The data is regularly reconciled with the accounting records and other sources in order to ensure data completeness and accuracy.

In 2024, the Bank analysed the scenarios, and configured and analysed the risk indicators. Another important element of the operational risk management system is managing the continuity of operations (emergency planning, crisis management). The Bank has updated and tested the recovery plans (for crisis situations) in order to ensure their full usefulness and effectiveness under current conditions. In addition, the Non-Financial Risks Department enhances

overall awareness of operational risk within the Bank and trains the Bank's staff via training sessions and e-learning courses.

Based on the consent obtained from the regulatory body, the Bank calculates the capital requirement for operational risk under the advanced measurement approach (AMA). Under this approach, the UniCredit Group model based on internal and external data, the results of scenario analyses and risk indicator data is used.

### (e) Capital Management

Management of the Bank monitors the development of the Bank's capital adequacy and its capital position. The regulator of the banking market, the Czech National Bank, established rules for the calculation of capital requirements and monitors their development. Since 1 January 2014, the Bank has met the requirements of Basel III (Regulation (EU) No. 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms) that was implemented by the Czech National Bank through Decree No. 163/2004 Coll. on the performance of the activity of banks, credit unions and investment firms. The Basel III rules were established in response to the financial crisis and introduce requirements for increased capital quality, requirement for an increased coverage of risks, the minimum standard for liquidity management, rules for the leverage ratio and improve risk management and corporate governance.

The Bank's regulatory capital consists of the following:

- Common Equity Tier 1 (CET 1) capital which comprises registered capital, share premium, reserve funds, retained earnings, accumulated other comprehensive income from revaluation of available-for-sale securities, post-tax profit for the period if audited at the time of reporting; minus intangible assets and gaps in the coverage of anticipated losses through adjustments for credit risk using the internal rating based approach;
- Tier 1 (T1) capital creating CET1; and
- Tier 2 (T2) capital which is the excess in the coverage of anticipated credit losses when using the internal rating based approach.

The Bank complies with the defined minimum requirements of Basel III rules for capital adequacy, including capital buffers.

In 2021, the Bank has received from the Czech National Bank the decision on intermediate and "fully loaded" target amounts of the Minimum Requirement for Own Funds and Eligible Liabilities (MREL), implemented through Act No. 374/2015 Coll.

- The levels of MREL are expressed based on risk-weighted assets and the leverage ratio (higher levels calculated using the two approaches will represent a limiting factor).

The Bank successfully issued its first MREL instruments in 2021 to be compliant with an intermediate target from 1 January 2022 as set by the Czech National Bank. MREL will become a “fully loaded” requirement as of 1 January 2024. Further details are provided in section V. Other Notes, point 24.

Statement of capital for the Bank's capital adequacy calculation on a stand-alone basis as reported to the regulator in accordance with applicable rules as of 31 December 2024 and as of 31 December 2023 is stated in the Annual Report, part “Separate financial highlights”.

### 36. Related party transactions

Entities are deemed to be related parties in the event that one entity is able to control the activities of another or is able to exercise

significant influence over the other entity's financial or operational policies. As part of its ordinary business, the Bank enters into transactions with related parties. These transactions principally comprise loans, deposits and other types of transactions and are concluded under arm's length conditions and at arm's length prices in order to prevent any detriment to any party.

Related parties principally include the Bank's parent company, Bank's fellow subsidiaries and other companies controlled by UniCredit Group or where UniCredit Group exercises significant influence the, the Bank's subsidiaries and affiliates, members of the Board of Directors and other members of the Bank's management.

#### (a) Transactions with the parent company

	31.12.2024	31.12.2023
Assets		
Cash and cash balances	1 514	1 132
Loans and advances to banks	26 049	13 968
Financial assets held for trading	16 844	18 891
Positive fair value of hedging derivatives	10 245	5 672
<b>Total</b>	<b>54 652</b>	<b>39 663</b>

	31.12.2024	31.12.2023
Liabilities		
Deposits from banks	17 884	4 423
Debt instruments	46 497	27 045
Financial liabilities held for trading	15 702	18 307
Negative fair value of hedging derivatives	22 556	15 683
<b>Total</b>	<b>102 639</b>	<b>65 458</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Issued guarantees	181	1 184
Irrevocable credit facilities	1 490	1 245
<b>Total</b>	<b>1 671</b>	<b>2 429</b>

	2024	2023
Interest income	817	618
Interest expense	(4 940)	(4 300)
Fee and commission income	1	19
Fee and commission expenses	(46)	(30)
Net profit/loss from financial assets and liabilities held for trading	1 727	249
Net profit/loss from hedging of the risk of change in fair values	550	(138)
Administrative expenses	(1 035)	(1 013)
<b>Total</b>	<b>(846)</b>	<b>(4 319)</b>

**(b) Transactions with subsidiaries**

	31.12.2024	31.12.2023
Assets		
Loans and advances to customers	51 854	50 060
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	30 697	29 874
UniCredit Leasing Slovakia, a.s.	15 350	15 528
UniCredit Fleet Management, s.r.o. (CZ)	1 338	49
UniCredit Factoring Czech Republic and Slovakia, a.s.	3 039	4 364
Positive fair value of hedging derivatives	101	169
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	101	168
<b>Total</b>	<b>51 955</b>	<b>50 229</b>

	31.12.2024	31.12.2023
Liabilities		
Deposits from customers	131	143
<i>of which:</i>		
UniCredit Leasing Slovakia, a.s.	2	4
UniCredit pojišťovací makléřská spol. s r.o.	23	19
Negative fair value of hedging derivatives	75	254
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	52	182
<b>Total</b>	<b>206</b>	<b>397</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Irrevocable credit facilities	9 893	6 261
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	4 125	2 647
UniCredit Fleet Management, s.r.o. (CZ)	115	26
UniCredit Factoring Czech Republic and Slovakia, a.s.	2 607	1 284
UniCredit Leasing Slovakia, a.s.	2 345	2 036
<b>Total</b>	<b>12 065</b>	<b>6 261</b>
Issued guarantees	2 172	–
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	314	–
UniCredit Leasing Slovakia, a.s.	1 858	–
<b>Total</b>	<b>2 172</b>	<b>–</b>

	2024	2023
Interest income	1 137	911
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	649	520
UniCredit Leasing Slovakia, a.s.	246	176
Interest expense	(137)	(234)
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	(79)	(164)
UniCredit Leasing Slovakia, a.s.	(57)	(68)
Fee and commission income	26	30
<i>of which:</i>		
UniCredit Leasing CZ, a.s.	11	19
UniCredit Leasing Slovakia, a.s.	13	10
General administrative expenses	3	3
<i>of which:</i>		
UniCredit Fleet Management, s.r.o. (CZ)	(2)	(1)
UniCredit Fleet Management, s.r.o. (SK)	(1)	(1)
UniCredit Leasing CZ, a.s.	2	1
UniCredit Leasing Slovakia, a.s.	4	4
<b>Total</b>	<b>1 029</b>	<b>710</b>

**(c) Transactions with key management members**

	31.12.2024	31.12.2023
Assets		
Loans and advances to customers	157	153
<i>of which:</i>		
Board of Directors	38	30
Other management members	119	123
<b>Total</b>	<b>157</b>	<b>153</b>

	31.12.2024	31.12.2023
Payables to customers	147	161
<i>of which:</i>		
Board of Directors	13	42
Other management members	134	119
<b>Total</b>	<b>147</b>	<b>161</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Irrevocable credit facilities	16	2
<i>of which:</i>		
Board of Directors	8	1
Other management members	8	1
<b>Total</b>	<b>16</b>	<b>2</b>

(d) Transactions with other related parties

	31.12.2024	31.12.2023
Assets		
Cash and cash balances	826	387
<i>of which:</i>		
UniCredit Bank GmbH	728	20
UniCredit Bank Austria AG	76	242
AO UniCredit Bank	3	86
Financial assets held for trading	1 488	6 424
<i>of which:</i>		
UniCredit Bank GmbH	1 487	6 410
Loans and advances to banks	587	2 591
<i>of which:</i>		
UniCredit Bank GmbH	576	2 578
AO UniCredit Bank	11	13
Loans and advances to customers	1 235	1 105
<i>of which:</i>		
RCI Financial Services, s.r.o.	1 235	1 105
Positive fair value of hedging derivatives	–	7 339
<i>of which:</i>		
UniCredit Bank GmbH	–	7 339
<b>Total</b>	<b>4 136</b>	<b>17 846</b>

	31.12.2024	31.12.2023
Liabilities		
Deposits from banks	1 727	2 078
<i>of which:</i>		
UniCredit Bank Austria AG	1 068	289
UniCredit Bank GmbH	572	1 762
UniCredit Bank Hungary Zrt.	13	6
Financial liabilities held for trading	1 874	5 074
<i>of which:</i>		
UniCredit Bank GmbH	1 874	5 074
Negative fair value of hedging derivatives	–	11 650
<i>of which:</i>		
UniCredit Bank GmbH	–	11 650
<b>Total</b>	<b>3 601</b>	<b>18 802</b>

	31.12.2024	31.12.2023
Off-balance sheet items		
Issued guarantees	819	2 903
<i>of which:</i>		
UniCredit Bank Austria AG	251	161
UniCredit Bank GmbH	145	2 240
UniCredit Bank Hungary Zrt.	112	7
AO UniCredit Bank	7	14
Irrevocable credit facilities	8 911	7 352
<i>of which:</i>		
UniCredit Bank GmbH	4 336	4 144
UniCredit Bank Austria AG	1 510	1 515
RCI Financial Services, s.r.o.	415	500
<b>Total</b>	<b>9 730</b>	<b>10 255</b>

	2024	2023
Interest income	684	2 701
<i>of which:</i>		
UniCredit Bank GmbH	557	2 620
UniCredit Bank Austria AG	6	10
RCI Financial Services, s.r.o.	72	68
Interest expense	(315)	(145)
<i>of which:</i>		
UniCredit Bank GmbH	(35)	(54)
UniCredit Bank Austria AG	(24)	(16)
Fee and commission income	158	68
<i>of which:</i>		
UniCredit Bank GmbH	145	59
UniCredit Bank Hungary Zrt.	3	1
UniCredit Bank Austria AG	9	7
Fee and commission expenses	(7)	(6)
<i>of which:</i>		
UniCredit Bank Austria AG	(4)	(4)
Net profit/loss from financial assets and liabilities held for trading	2 515	(2 943)
<i>of which:</i>		
UniCredit Bank GmbH	2 514	(2 943)
Net profit/loss from hedging against risk of changes in fair value	(127)	(72)
<i>of which:</i>		
UniCredit Bank GmbH	(136)	(72)
Administrative expenses	(32)	(2)
<i>of which:</i>		
UniCredit Bank Austria AG	(1)	11
UniCredit Bank Hungary Zrt.	4	4
<b>Total</b>	<b>2 876</b>	<b>(399)</b>



## 37. Fair value of financial assets and financial liabilities

Based on the Quality of the Input Data Used for Valuation at Fair Value

### *Financial assets at fair value through profit or loss*

#### *Held for trading*

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Debt securities	24	–	–	24
Derivatives	–	24 886	530	25 416
<b>Total</b>	<b>24</b>	<b>24 886</b>	<b>530</b>	<b>25 440</b>
<b>31.12.2023</b>				
Debt securities	3	–	–	3
Derivatives	–	33 640	356	33 996
<b>Total</b>	<b>3</b>	<b>33 640</b>	<b>356</b>	<b>33 999</b>

#### *Mandatorily at fair value*

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Shares and Other debt securities	–	–	103	103
<b>Total</b>	<b>–</b>	<b>–</b>	<b>103</b>	<b>103</b>
<b>31.12.2023</b>				
Shares and Other debt securities	–	–	171	171
<b>Total</b>	<b>–</b>	<b>–</b>	<b>171</b>	<b>171</b>

### *Financial assets at fair value through other comprehensive income*

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Debt securities	54 606	746	–	55 352
Shares	–	–	17	17
<b>Total</b>	<b>54 606</b>	<b>746</b>	<b>17</b>	<b>55 369</b>
<b>31.12.2023</b>				
Debt securities	49 697	2 232	4	51 933
Shares	–	–	20	20
<b>Total</b>	<b>49 697</b>	<b>2 232</b>	<b>24</b>	<b>51 953</b>

### *Positive fair value of hedging derivatives*

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Fair value hedging	–	5 006	–	5 006
Cash flow hedging	–	5 931	–	5 931
<b>Total</b>	<b>–</b>	<b>10 937</b>	<b>–</b>	<b>10 937</b>
<b>31.12.2023</b>				
Fair value hedging	–	5 344	–	5 344
Cash flow hedging	–	9 136	–	9 136
<b>Total</b>	<b>–</b>	<b>14 480</b>	<b>–</b>	<b>14 480</b>

### Financial liabilities held for trading

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Derivatives	–	23 297	549	23 846
<b>Total</b>	<b>–</b>	<b>23 297</b>	<b>549</b>	<b>23 846</b>
<b>31.12.2023</b>				
Derivatives	–	33 014	359	33 373
<b>Total</b>	<b>–</b>	<b>33 014</b>	<b>359</b>	<b>33 373</b>

### Negative fair value of hedging derivatives

	Level 1	Level 2	Level 3	Total
<b>31.12.2024</b>				
Fair value hedging	–	13 573	–	13 573
Cash flow hedging	–	10 198	–	10 198
<b>Total</b>	<b>–</b>	<b>23 771</b>	<b>–</b>	<b>23 771</b>
<b>31.12.2023</b>				
Fair value hedging	–	14 887	–	14 887
Cash flow hedging	–	15 253	1	15 254
<b>Total</b>	<b>–</b>	<b>30 140</b>	<b>1</b>	<b>30 141</b>

### Fair values of financial assets and liabilities that are not reported at fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities that are not reported at fair values in the Bank's statement of financial position (the fair value is calculated using discounted future cash flows under the application of arm's length market rates to which credit mark-ups derived from internal rating categories of individual customers are added):

	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>31.12.2024</b>					
<b>Financial assets</b>					
Loans and advances to banks	230 665	234 085	–	194 565	39 520
Loans and advances to customers	621 523	594 975	36 224	266 489	292 262
<b>Financial liabilities</b>					
Deposits from banks	23 846	23 845	–	4 494	19 351
Deposits from customers	702 115	702 340	–	70 040	632 300
Debt securities issued	113 768	112 543	75 065	37 478	–
<b>31.12.2023</b>					
<b>Financial assets</b>					
Loans and advances to banks	158 548	161 218	–	155 997	5 221
Loans and advances to customers	591 926	557 444	30 627	252 513	274 304
<b>Financial liabilities</b>					
Deposits from banks	28 972	29 222	–	23 660	5 562
Deposits from customers	617 058	617 013	–	50 329	566 684
Debt securities issued	78 524	77 339	42 584	34 755	–

### Transfers between stages of financial assets and liabilities that are reported at fair values

For the year ended 31 December 2024 and 31 December 2023, no financial assets reported at fair value were transferred between Levels 1 and 2.

For the years ended 31 December 2024 and 31 December 2023, no financial liabilities reported at fair value were transferred between Levels 1 and 2.

The following tables show transfers of assets reported at fair value from and to Level 3.

	Financial assets at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Property measured at fair value	Total
	Held for trading	Other than held for trading mandatorily at fair value			
<b>Opening balance at 1.1.2023</b>	<b>153</b>	<b>135</b>	<b>264</b>	<b>868</b>	<b>1 420</b>
Revaluation gains and losses					
In the income statement	–	36	–	(8)	28
In other comprehensive income	–	–	(1)	(31)	(32)
Purchases	216	–	3	135	354
Sales/maturity	(17)	–	(242)	–	(259)
Transfers from/to other levels	(11)	–	–	–	(11)
Depreciation	–	–	–	(23)	(23)
Other	15	–	–	–	15
<b>Closing balance at 31.12.2023</b>	<b>356</b>	<b>171</b>	<b>24</b>	<b>941</b>	<b>1 492</b>
Total revaluation gains and losses included in the income statement for the period:					28
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>					28

	Financial assets at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Property measured at fair value	Total
	Held for trading	Other than held for trading mandatorily at fair value			
<b>Opening balance at 1.1.2024</b>	<b>356</b>	<b>171</b>	<b>24</b>	<b>941</b>	<b>1 492</b>
Revaluation gains and losses					
In the income statement	–	(78)	–	3	(75)
In other comprehensive income	–	–	2	27	29
Purchases	312	–	–	111	423
Sales/maturity	(35)	–	(4)	–	(39)
Transfers from/to other levels	(8)	10	(5)	–	(3)
Depreciation	–	–	–	(26)	(26)
Other	(95)	–	–	–	(95)
<b>Closing balance at 31.12.2024</b>	<b>530</b>	<b>103</b>	<b>17</b>	<b>1 056</b>	<b>1 706</b>
Total revaluation gains and losses included in the income statement for the period:					(75)
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>					(75)

The following table contains the transfers of financial liabilities at fair value to and from level 3.

	Financial liabilities at fair value through profit or loss held for trading	Hedging derivatives	Total
<b>Opening balance at 1 Jan 2023</b>	<b>156</b>	<b>–</b>	<b>156</b>
Revaluation gains and losses			
In the income statement	–	–	–
In other comprehensive income	–	–	–
Issue	216	–	216
Sales/maturity	(17)	–	(17)
Transfers from/to other levels	15	–	15
Other	(11)	1	(10)
<b>Closing balance at 31 Dec 2023</b>	<b>359</b>	<b>1</b>	<b>360</b>
Total revaluation gains and losses included in the income statement for the period:			–
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>			–

	Financial liabilities at fair value through profit or loss held for trading	Hedging derivatives	Total
<b>Opening balance at 1 Jan 2024</b>	<b>359</b>	<b>1</b>	<b>360</b>
Revaluation gains and losses			
In the income statement	–	–	–
In other comprehensive income	–	–	–
Issue	303	9	312
Sales/maturity	(13)	–	(13)
Transfers from/to other levels	(95)	(10)	(105)
Other	(5)	–	(5)
<b>Closing balance at 31 Dec 2024</b>	<b>549</b>	<b>–</b>	<b>549</b>
Total revaluation gains and losses included in the income statement for the period:			–
<i>Of which: Total revaluation gains and losses included in the income statement for the period arising from financial assets held at the period end</i>			–

### 38. Offsetting of financial assets and financial liabilities

The Bank does not offset financial assets and financial liabilities.

The below table shows assets which are subject to netting agreements according to Credit risk management arrangements included in the Derivative Framework agreements such as ISDA or similar. The assets are subject to netting on settlement (performance netting) and on position closeout.

	Gross reported financial assets	Gross offset financial liabilities	Net reported financial assets	Potential amounts available for offset	Net amount
				Financial instruments	Obtained cash collateral
<b>31 Dec 2024</b>					
Derivatives	34 626	–	34 626	32 693	1 072
<b>31 Dec 2023</b>					
Derivatives	47 442	–	47 442	46 608	834

Financial liabilities that are subject to offset, recoverable framework contracts for offset and similar arrangements:

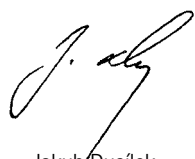
	Gross reported financial liabilities	Gross offset financial assets	Net reported financial liabilities	Potential amounts available for offset	Financial instruments	Provided cash collateral	Net amount
<b>31 Dec 2024</b>							
Derivatives	46 566	–	46 566	20 999	13 627		11 940
<b>31 Dec 2023</b>							
Derivatives	62 897	–	62 897	47 442	14 907		548

### 39. Subsequent events

The Bank's management is not aware of any post balance sheet events that would require adjustment to the Bank's financial statements.

The financial statements were approved by the Board of Directors of the Bank and authorised for issue on 25 March 2025.

The financial statements were signed on behalf  
of the Board of Directors by:



Jakub Dušilek  
Chairman of the Board  
of Directors



Maria-Georgia Sălăgean  
Member of the Board  
of Directors

Individual in charge  
of the accounting records



Lea Branecká

Individual in charge  
of the financial statements



Alena Večerníková



# Auditor's report on the Annual Report

**KPMG Česká republika Audit, s.r.o.**

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Czech Republic  
+420 222 123 111  
www.kpmg.cz

*This document is an unsigned English translation of the Czech independent auditor's report that we issued on 25 March 2025 on the statutory separate and consolidated financial statements included in the annual financial report of UniCredit Bank Czech Republic and Slovakia, a.s., prepared in accordance with the provisions of 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"), related to the financial statements. The accompanying annual financial report does not represent a statutory annual financial report. Consequently, neither it nor this copy of the auditor's report is a legally binding document. We did not audit the consistency of the accompanying annual financial report with the statutory and legally binding annual financial report under the ESEF Regulation in Czech, and therefore we do not provide an opinion on the accompanying annual financial report.*

## Independent Auditor's Report

**to the Shareholder of UniCredit Bank Czech Republic and Slovakia, a.s.**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of UniCredit Bank Czech Republic and Slovakia, a.s. ("the Bank") and its subsidiaries (together "the Group"), prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information. Information about the Group is set out in Note 1 to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

#### Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and of the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section

KPMG Česká republika Audit, s.r.o., a Czech limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Recorded in the Commercial Register kept by the Municipal Court in Prague, Section C, Insert No. 24185

Identification No. 49619187  
VAT No. CZ699001996  
ID data box: 8h3gtra





of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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.

#### *Impairment of loans and advances to customers*

As at 31 December 2024, gross loans and advances to customers amounted to CZK 640,774 million and related impairment allowance amounted to CZK 11,436 million (31 December 2023: CZK 612,411 million and CZK 11,309 million, respectively).

Refer to the following notes to the consolidated financial statements:

III. Material accounting policies (2. Impairment of Financial Instruments).

IV. Critical accounting judgments, estimates and assumptions.

V. Other notes (15. Financial assets at amortised cost – loans and advances to customers, 35. Financial risk management).

#### *The key audit matter*

The Group's management makes significant judgments and complex assumptions when estimating expected credit losses ("the Expected Credit Losses", "ECLs") in respect of loans and advances to retail and corporate customers (together, "Loans").

For the purposes of estimating the Expected Credit Losses, Loans are assigned to one of three stages in line with the requirements of IFRS 9 Financial Instruments. Stage 1 and Stage 2 comprise performing exposures, with Stage 2 being exposures with a significant increase in credit risk since origination ("SICR"). Stage 3 are exposures in default.

ECLs for Stage 3 Loans with original exposures not exceeding EUR 1 million and for all Stage 1 and Stage 2 Loans are determined using an estimation model, with the key parameters and assumptions including:

- probability of default (PD) and Loss given default (LGD), adjusted for regulatory parameters and forward-looking macroeconomic information (FLI),
- exposure at default (EAD), based on repayment schedules or modelled credit conversion factors,
- collateral value - for loans and advances to corporate customers, and
- overlay factors, reflecting alternative macroeconomic scenarios and circumstances not captured by standard modelling.

ECLs for Stage 3 Loans with original exposure above EUR 1 million are determined on an individual basis by discounting the probability-weighted projections of estimated future cash flows. The key judgments and assumptions therein comprise:

- probabilities assigned to cash flow scenarios,
- estimated amounts and timing of future cash repayments, including any cash flows from realization of underlying collateral.

Given the complexity of the model and significant judgement applied, we considered the area to be associated with high estimation uncertainty and a significant risk of material misstatement. As such, it required our increased attention in the audit, and we determined it to be a key audit matter.



#### *How the matter was addressed in our audit*

Our procedures in the area, performed, where applicable, with the assistance from our own credit risk and information technology (IT) audit specialists, included, among others, the following:

- We challenged the Group's loan impairment policies, methods and models, and the processes related to estimating ECLs, against the requirements of the financial reporting framework. As part of the procedure, we, among other things, assessed whether the approach used to determine internal ratings and definitions of default and SICR were appropriate and consistently applied.
- We tested the design, implementation, and operating effectiveness of selected IT-based and manual controls relevant for the credit risk monitoring and ECL estimation processes. Among others, we tested the controls over the calculation of days past due, matching of borrowers' repayments to loans, automatic calculation of borrower's rating for corporate and retail loans and periodical credit monitoring of corporate loans.
- For a sample of Stage 1 and Stage 2 corporate Loans, we challenged the Group's assessment of their credit risk and the existence of any triggers for classification to Stage 2 or Stage 3, by reference to the underlying loan files and by making inquiries of loan officers and credit risk personnel.

For impairment allowances determined on a collective basis:

- We challenged selected key parameters used within the ECL model, such as PD, LGD and EAD, by reference to, among other things, our own analysis of the Group's data on past default occurrence, realized losses on those defaults and inspection of the development, documentation and validation, including back-testing, of key model inputs.
- We inspected the Group's forward-looking information, overlay factors, underlying macroeconomic projections and other supporting data used to estimate ECLs. We evaluated the above by means of corroborating inquiries of the Management Board and inspecting publicly available information;
- With the use of data analytics tools, we tested staging of the loans, and also independently recalculated collective ECLs.

For impairment allowances determined on an individual basis:

- For a risk-based sample of Stage 3 Loans, we challenged the Group's cash flow projections, their probabilities and other key assumptions and data used therein, by reference to the respective loan files and inquiries of the Group's credit risk personnel. Where applicable, we also challenged the realisable value of related loan collateral, by reference to the underlying collateral agreements and appraisals, whose relevance and reliability we independently assessed.

For all impairment allowances:

- We examined whether the Group's loan impairment and credit risk-related disclosures in the consolidated financial statements appropriately address the relevant quantitative and qualitative requirements of the applicable financial reporting framework.

#### **Other Information**

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual financial report ("the annual report") other than the separate and consolidated financial statements and our auditor's report. The statutory body is responsible for the other information.

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 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. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing matters that are also presented in the consolidated financial statements is, in all material respects, consistent with the consolidated financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

#### ***Responsibilities of the Statutory Body, Supervisory Board and Audit Committee for the Consolidated Financial Statements***

The statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the statutory body 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, the statutory body 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 the statutory body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's financial reporting process. The Audit Committee is responsible for monitoring the Group's financial reporting process.

#### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The 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 the statutory body.



- Conclude on the appropriateness of the statutory body'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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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, related safeguards.

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.

## Report on the Audit of the Separate Financial Statements

### Opinion

We have audited the accompanying separate financial statements of UniCredit Bank Czech Republic and Slovakia, a.s. ("the Bank"), prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the separate statement of financial position as at 31 December 2024, and the separate statement of comprehensive income, the separate statement of changes in equity and the separate cash flow statement for the year then ended, and notes to the separate financial statements, comprising material accounting policies and other explanatory information. Information about the Bank is set out in Note 1 to the separate financial statements.

In our opinion, the accompanying separate financial statements give a true and fair view of the unconsolidated financial position of the Bank as at 31 December 2024, and of its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

### Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and of the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of



our report. We are independent of the Bank in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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.

#### ***Impairment of loans and advances to customers***

As at 31 December 2024, gross loans and advances to customers amounted to CZK 631,291 million and related impairment allowance amounted to CZK 9,768 million (31 December 2023: CZK 601,503 million and CZK 9,577 million, respectively).

Refer to the following notes to the separate financial statements:

III. Material accounting policies (2. Impairment of Financial Instruments).

IV. Critical accounting judgments, estimates and assumptions.

V. Other notes (15. Financial assets at amortised cost – loans and advances to customers, 35. Financial risk management).

#### ***The key audit matter***

The Bank's management makes significant judgments and complex assumptions when estimating expected credit losses ("the Expected Credit Losses", "ECLs") in respect of loans and advances to retail and corporate customers (together, "Loans").

For the purposes of estimating the Expected Credit Losses, Loans are assigned to one of three stages in line with the requirements of IFRS 9 Financial instruments. Stage 1 and Stage 2 comprise performing exposures, with Stage 2 being exposures with a significant increase in credit risk since origination ("SICR"). Stage 3 are exposures in default.

ECLs for Stage 3 Loans with original exposures not exceeding EUR 1 million and for all Stage 1 and Stage 2 Loans are determined using an estimation model, with the key parameters and assumptions including:

- probability of default (PD) and Loss given default (LGD), adjusted for regulatory parameters and forward-looking macroeconomic information (FLI),
- exposure at default (EAD), based on repayment schedules or modelled credit conversion factors,
- collateral value - for loans and advances to corporate customers, and
- overlay factors, reflecting alternative macroeconomic scenarios and circumstances not captured by standard modelling.

ECLs for Stage 3 Loans with original exposure above EUR 1 million are determined on an individual basis by discounting the probability-weighted projections of estimated future cash flows. The key judgments and assumptions therein comprise:

- Probabilities assigned to cash flow scenarios,
- estimated amounts and timing of future cash repayments, including any cash flows from realization of underlying collateral.

Given the complexity of the model and significant judgement applied, we considered the area to be associated with high estimation uncertainty and a significant risk of material misstatement. As such, it required our increased attention in the audit, and we determined it to be a key audit matter.



#### *How the matter was addressed in our audit*

Our procedures in the area, performed, where applicable, with the assistance from our own credit risk and information technology (IT) audit specialists, included, among others, the following:

- We challenged the Bank's loan impairment policies, methods and models, and the processes related to estimating ECLs, against the requirements of the financial reporting framework. As part of the procedure, we, among other things, assessed whether the approach used to determine internal ratings and definitions of default and SICR were appropriate and consistently applied.
- We tested the design, implementation, and operating effectiveness of selected IT-based and manual controls relevant for the credit risk monitoring and ECL estimation processes. Among others, we tested the controls over the calculation of days past due, matching of borrowers' repayments to loans, automatic calculation of borrower's rating for corporate and retail loans and periodical credit monitoring of corporate loans.
- For a sample of Stage 1 and Stage 2 corporate Loans, we challenged the Bank's assessment of their credit risk and the existence of any triggers for classification to Stage 2 or Stage 3, by reference to the underlying loan files and by making inquiries of loan officers and credit risk personnel.

For impairment allowances determined on a collective basis:

- We challenged selected key parameters used within the ECL model, such as PD, LGD and EAD, by reference to, among other things, our own analysis of the Bank's data on past default occurrence, realized losses on those defaults and inspection of the development, documentation and validation, including back-testing, of key model inputs.
- We inspected the Bank's forward-looking information, overlay factors, underlying macroeconomic projections and other supporting data used to estimate ECLs. We evaluated the above by means of corroborating inquiries of the Management Board and inspecting publicly available information;
- With the use of data analytics tools, we tested staging of the loans, and also independently recalculated collective ECLs.

For impairment allowances determined on an individual basis:

- For a risk-based sample of Stage 3 Loans, we challenged the Bank's cash flow projections, their probabilities and other key assumptions and data used therein, by reference to the respective loan files and inquiries of the Bank's credit risk personnel. Where applicable, we also challenged the realisable value of related loan collateral, by reference to the underlying collateral agreements and appraisals, whose relevance and reliability we independently assessed.

For all impairment allowances:

- We examined whether the Bank's loan impairment and credit risk-related disclosures in the separate financial statements appropriately address the relevant quantitative and qualitative requirements of the applicable financial reporting framework.

#### *Other information*

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual financial report ("the annual report") other than the separate and consolidated financial statements and our auditor's report. The statutory body is responsible for the other information.

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 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. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing matters that are also presented in the separate financial statements is, in all material respects, consistent with the separate financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

In addition, our responsibility is to report, based on the knowledge and understanding of the Bank obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

#### ***Responsibilities of the Statutory Body, Supervisory Board and Audit Committee for the Separate Financial Statements***

The statutory body is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the statutory body 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, the statutory body 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 the statutory body either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Bank's financial reporting process. The Audit Committee is responsible for monitoring 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 the above regulations 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 the above regulations, 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 the statutory body.





- Conclude on the appropriateness of the statutory body'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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for 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, related safeguards.

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**

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

#### *Appointment of Auditor and Period of Engagement*

We were appointed as the auditors of the Bank and the Group by the General Meeting of Shareholders on 24 November 2021 and our uninterrupted engagement has lasted for 2 years.

#### *Consistency with Additional Report to Audit Committee*

We confirm that our audit opinions on the separate and consolidated financial statements expressed herein are consistent with the additional report to the Audit Committee of the Bank, which we issued on 25 March 2025 in accordance with Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council.

#### *Provision of Non-audit Services*

We declare that no prohibited services referred to in Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided.

Except for the statutory audit we did not provide the Bank and its controlled undertakings with any other services that have not been disclosed in notes to the consolidated financial statements.



## Report on Compliance with the ESEF Regulation

We have undertaken a reasonable assurance engagement on the compliance of all financial statements included in the annual report with the provisions of 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"), related to the financial statements.

### *Responsibilities of the Statutory Body*

The Bank's statutory body is responsible for the preparation of financial statements that comply with the ESEF Regulation. This responsibility includes:

- the design, implementation and maintenance of internal control relevant to the application of the ESEF Regulation;
- the preparation of all financial statements included in the annual report in the applicable XHTML format; and
- the selection and application of XBRL mark-ups as required by the ESEF Regulation.

### *Auditor's Responsibilities*

Our responsibility is to express an opinion on whether the financial statements included in the annual report comply, in all material respects, with the ESEF Regulation based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000").

The nature, timing and extent of procedures selected depend on the auditor's judgment. Reasonable assurance is a high level of assurance, but is not a guarantee that an assurance engagement conducted in accordance with the above standard will always detect any existing material non-compliance with the ESEF Regulation.

Our selected procedures included:

- obtaining an understanding of the requirements of the ESEF Regulation;
- obtaining an understanding of the Bank's internal control relevant to the application of the ESEF Regulation;
- identifying and assessing the risks of material non-compliance with the ESEF Regulation, whether due to fraud or error; and
- based on the above, designing and performing procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The objective of our procedures was to evaluate whether:

- the financial statements included in the annual report were prepared in the applicable XHTML format;
- the disclosures in the consolidated financial statements as specified in the ESEF Regulation were marked up, with all mark-ups meeting the following requirements:
  - the XBRL mark-up language was used;
  - the elements of the core taxonomy specified in the ESEF Regulation with the closest accounting meaning were used, unless an extension taxonomy element was created in compliance with the ESEF Regulation; and
  - the mark-ups complied with the common rules on mark-ups specified in the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



### **Conclusion**

In our opinion, the Bank's financial statements for the year ended 31 December 2024 included in the annual report are, in all material respects, in compliance with the ESEF Regulation.

### **Other Matter**

Given the possible technical limitations of the tools used in preparing the consolidated financial statements in compliance with the requirements of the ESEF Regulation, the content of some block tags in the machine-readable format of the notes to these consolidated financial statements may not be reproducible in the same form as in the human-readable layer of the audited consolidated financial statements.

### **Statutory Auditor Responsible for the Engagement**

Jindřich Vašina is the statutory auditor responsible for the audit of the separate and consolidated financial statements of UniCredit Bank Czech Republic and Slovakia, a.s. as at and for the year ended 31 December 2024, based on which this independent auditor's report has been prepared.

Prague  
25 March 2025

KPMG Česká republika Audit, s.r.o.  
Registration number 71

*Signed by*

Jindřich Vašina  
Partner  
Registration number 2059



# Our ESG Strategy

At UniCredit Bank, sustainability is part of everything we do.

We want to set an example for others, which is why ESG (Environmental, Social and Governance) is at the heart of our strategic approach and daily decisions. Our mission is to **help communities grow** and we are guided by three principles:

- > We hold ourselves to the highest possible standards to do right by our clients and communities.
- > We are committed to playing a positive role in supporting our clients' transformation.
- > We respect and consider the perspectives and priorities of all our partners in our operations and decision-making processes.

Promoting ESG awareness within the bank and among

1

5

Strengthening ESG in our business approach



**we have built  
strong ESG pillars  
in recent years:**

2

Promoting a social  
approach with  
tangible results

3

Promoting a just and  
fair transition through  
concrete solutions

4

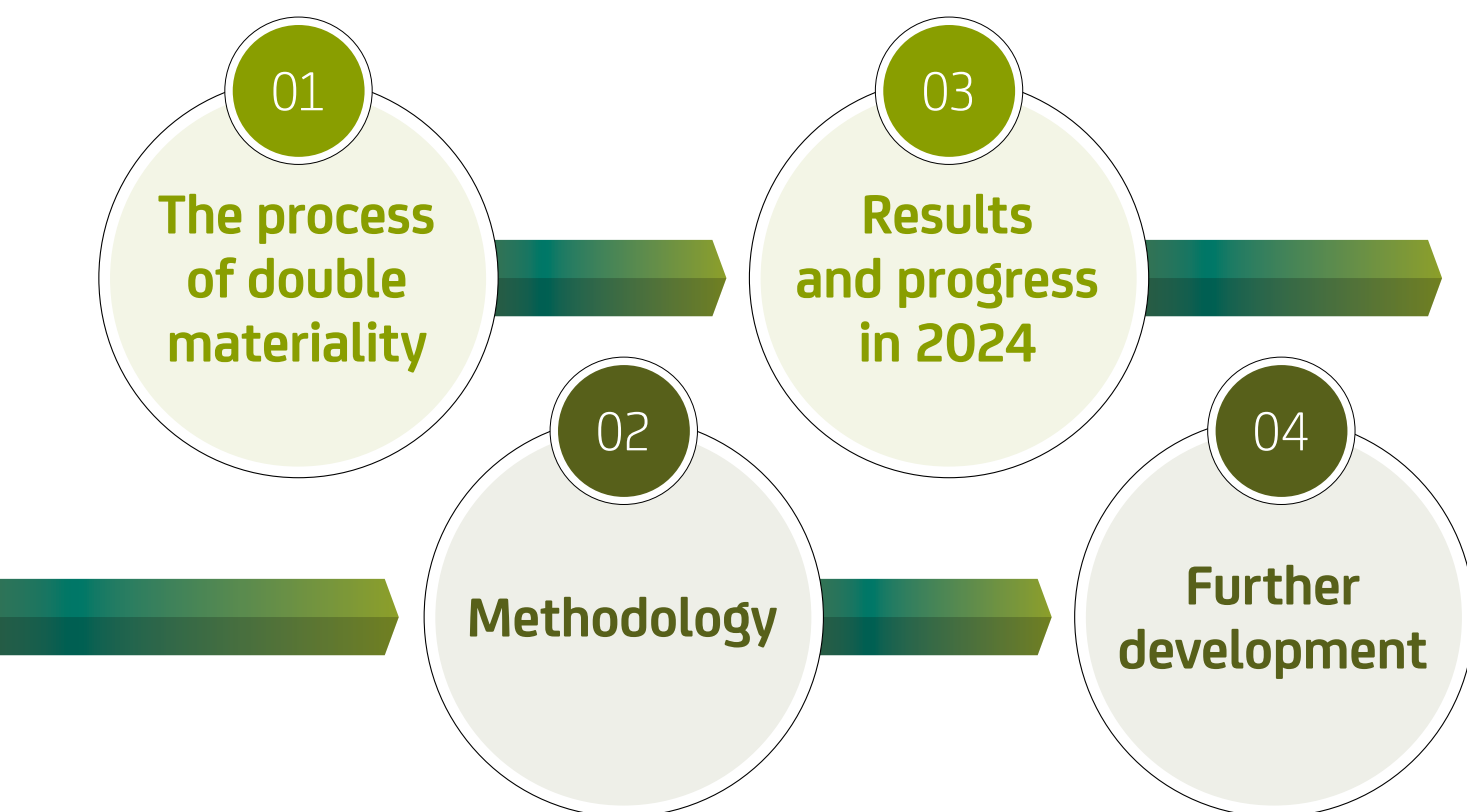
Ensuring accountability,  
transparency and a robust  
risk framework

# Analysis of dual materiality

## Our strategic approach

We conduct an annual materiality analysis to identify key stakeholder issues, including business impacts, risks and opportunities (IROs) in ESG.

In 2024, for the first time, we conducted a **dual materiality analysis (DMA)** that considers both impact and financial materiality, allowing us to take a comprehensive view of ESG.





01

## The process of dual materiality

As part of the **European Corporate Sustainability Reporting Directive (CSRD)**, our **dual materiality process** is integrated into **UniCredit Group's due diligence system**.

- > **Impact materiality** assesses the **potential or actual impacts of a business on people and the environment**, taking into account the **severity and likelihood** of these impacts.
- > **Financial materiality** assesses the **risks and opportunities affecting economic performance**.

02

## Methodology

In our **dual materiality analysis 2024**, we are at the UniCredit Group level:

- > Engaged internal and external partners to identify key themes.
- > Assess materiality through senior management and group risk management.
- > They briefed the Board and finalized key issues.

03

## Results and progress in 2024

Our **DMA has identified key impacts, risks and opportunities**, strengthening financial oversight. **The Group Executive Committee** is playing an active role in this process and the findings will be used to **improve policies and set targets**.

04

## Further development

We are refining our **governance framework to align it with CSRD requirements** to ensure **sustainability is fully integrated into strategic management**.

# About our sustainability reporting

This year, we are introducing our sustainability reporting, which we have prepared in accordance with the new CSRD Corporate Sustainability Reporting Guidelines.

The CSRD is ushering in a **new era of sustainability reporting**, emphasizing **transparency, standardization and accountability** in how organizations **report on their ESG performance and impacts**.

In previous years, we have used **Global Reporting Initiative (GRI) standards** at group level to disclose key topics in the **Integrated Report**. In 2024, we have made significant efforts to ensure **compliance with CSRD requirements**, particularly in the area of **dual materiality**.

We conducted an extensive **dual materiality assessment** to **identify the most material ESG issues** relevant to our business and partners.

As part of this process, we have **aligned ourselves with the European Sustainability Reporting Standards (ESRS)**, which form the core framework of the CSRD.

We have also included **quantitative performance indicators, detailed qualitative information and commitments for the future**, allowing readers to **better understand our progress, challenges and ambitions**.

As a result of this change, **UniCredit Group will also cease to issue a separate Integrated Report**.

While compliance with **CSRD requirements** is a **regulatory obligation**, we see it as an **opportunity to create value for all partners**, build trust, enhance our reputation and strengthen our position as a responsible and progressive organisation.

In addition, **the CSRD framework provides us with a way to assess and mitigate the risks associated with key ESG challenges**, ensuring that we remain **resilient and competitive** in a changing global environment.

# ESG

## at UniCredit Bank Czech Republic and Slovakia

Environmental, social responsibility and governance issues are firmly embedded in UniCredit Bank's corporate culture and overall approach to business. Sustainability is a key principle that influences all our decisions.

We recognize that fulfilling our mission of supporting communities would not be possible without adherence to rigorous ESG standards. These not only help us achieve sustainable growth, but also create long-term value for our clients and society. For example, our efforts and achievements have also earned us an award from Mastercard

for our sustainability-focused card promotion based on planting trees through Mastercard payment card transactions.

That's why ESG principles are an integral part of our group strategy to support our clients' just and sustainable transition to a better future.

**Our ESG strategy replicates UniCredit's approach and is built on a solid foundation and interconnected elements that deliver value:**

- **ESG principles:** key milestones that are firmly embedded in the bank's business strategy
- **Leading by example:** we strive for the same high standards we demand from our business partners
- **Setting ambitious ESG targets:** promoting a fair and equitable transition to sustainable business for our clients
- **Equipped with the necessary tools:** Helping clients and communities manage environmental and social transformation through strategic sustainable actions
- **Investing and leveraging the resources needed:** Ensuring the achievement of ambitious goals and long-term commitments through a strong corporate governance model, support for our culture and quality monitoring, reporting and transparent disclosure

All key ESG-related issues are detailed in this Sustainability statement, which provides a comprehensive view of our activities and commitments in this area. The Sustainability statement is prepared in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and forms part of the Bank's Annual Report.



## ESG corporate finance

In 2024, we continued to support our ESG clients. Through thematic workshops, webinars and one-on-one meetings, we provide clients with a comprehensive insight into ESG issues, which we always link to relevant topics within their business sector. Often this includes energy efficiency measures, sustainable energy, corporate ESG strategy and sustainable financing options that go hand in hand with grant funding. We also discuss with clients key ESG risks and opportunities affecting their company or supplier-customer relationships. With the ESG Barometer tool, we help our clients identify whether they are in line with the ESG principles of their industry and assess the company in terms of the impact of its activities on the environment (Environmental), the social environment (Social) and the effectiveness of corporate governance (Governance).

Our bank's ambition is to actively support the domestic economy in its sustainable transformation towards a zero-emission economy. In 2024, the total volume of corporate ESG loans in UniCredit Bank Czech Republic and Slovakia was more than CZK 52 billion and more than CZK 6 billion was the production of new corporate ESG loans.

The majority of total ESG lending is green loans, which exceed CZK 46 billion. The largest share of this volume is accounted for by loans to sustainable buildings (over CZK 24 billion) and loans to renewable energy (over CZK 10 billion). However, we also consider more than 6 billion of social loans that support investments in the areas of healthcare or elderly care to be significant.

We are pleased to have participated in another ESG-rated loan, which was a financing for CME Media Enterprises B.V., a media company that operates leading television stations in six Central and Eastern European countries. CME is the first media company from the CEE region to become a member of BAFTA Albert, an international association promoting environmental sustainability in the television and film industry.

BAFTA Albert Certified Productions is a designation for film, television or other audiovisual productions that have met rigorous environmental standards

and sustainability commitments. Productions that achieve Albert Certification have demonstrated that they have taken measures to minimise their environmental impact, such as reducing energy consumption, managing waste efficiently, using sustainable materials and promoting environmentally friendly practices. The aim of BAFTA Albert Certified is not only to protect the environment but also to inspire others to follow this eco-friendly approach to media production.

This EUR 69 million transaction has two main objectives. The first is to increase the proportion of BAFTA Albert productions with 1, 2 or 3 stars. These stars help to assess how well the production meets environmental standards. Certification with more stars therefore means that a production has achieved a higher level of environmental responsibility and is truly prioritising sustainability and environmental friendliness in its operations. The second objective of this investment is to increase the proportion of accessible content for people with hearing and visual impairments.

## ESG retail finance

Retail banking contributes to the Bank's ESG objectives primarily through its lending products. The most significant part of this is mortgage loans with interest rate advantages for young people and families up to 35 years of age, which we took out in the amount of over CZK 5 billion in 2024. We contribute to meeting environmental goals by providing Low Energy Mortgages with an interest rate advantage to finance properties with energy performance class A, and in the Czech Republic also with energy performance class B and partly C, or by providing the consumer loan PRESTO Půjčka with the subsidy programme Repair Grandma's House and PRESTO Půjčka na lepší domov, which finance so-called green purposes. Throughout the year, we provided nearly CZK 1.6 billion to clients under environmental financing, primarily for the construction of new properties with lower energy requirements.

In the entrepreneurs and small businesses segment, we focused on ESG activities supporting start-ups and start-ups and on supporting disadvantaged areas in Slovakia. We offer financing to start-up companies

to help them get their business off the ground and build stable and growing turnover. In the programme for the development of disadvantaged areas in Slovakia, we support local entrepreneurs and companies whose activities increase the economic growth of the area and the quality of life of its inhabitants. At the same time, we support the growth of micro and small entrepreneurs through our partnership with the For the Enterprising platform, where we offer flexible financing, expert advice and modern tools for improving the quality of business.

In 2024, we started migrating payment cards to Mastercard. With an emphasis on ESG, the new cards are made of recycled materials, we have extended the validity from 3 to 5 years, we plant a tree for active use of the new card and in the case of migration we do not send clients an envelope with a PIN, but transfer the PIN from the original card. We have launched the additional service Priority Pass Digital, so the client does not have to wait for a plastic card, but can use the service thanks to an application on a smartphone.

As part of the group's „PRB Commitment to Financial Health & Inclusion“ initiative, we are committed to supporting the financial inclusion of young people aged 17-30. We will focus on acquiring this client group and then offering a wide range of products to help young people in their life situations.

### **Social responsibility, sponsorship and charity**

The year 2024 faces complex challenges, including ongoing geopolitical conflicts and climate change, which negatively impact growth and stability. It continued to be marked by economic uncertainty, with rising energy prices, skills shortages and adverse global conditions, including slow growth in the euro area, posing the greatest challenges.

In terms of charity projects, we again surpassed the previous year. In cooperation with Leasing, the Bank donated almost CZK 41.5 million to sponsorship activities. CZK. We actively supported traditional areas such as culture, sports, science and healthcare. We developed long-term cooperation with our traditional partners such as the Karlovy Vary Film Festival, the Janáček Philharmonic Orchestra in Ostrava, the Institute

of Microbiology and the Roland McDonald House. The support was directed to foundations that dedicated themselves to children and disabled citizens such as Konto Bariéry, the Syner Foundation, the Foundation Na kole dětem, the Jedlička Institute's Sports Club and the Fund for Children at Risk Klokánek, as well as Smile as a Gift.

In 2024, we continued our cooperation with the Markíza Foundation and, thanks to the income tax deduction, we supported the topic of mental health through the Liga za duševné zdraví and Linka dětské pomoci.

Education is also one of the key priorities in which we are actively engaged and we are aware of its importance in society, especially for future generations. In 2024, we supported a number of entities involved in this area, such as Friends of International School, the Czech Banking Association and its NePINdej project, and the Financial Distress Counselling Service.


We also did not neglect our sports partners, as sports activities are an essential part of a healthy lifestyle. In the past year, we supported the RunCzech running league, our traditional partners such as the Prostějov Tennis Club, Sport2Life, Velká Chuchle, Czech Team 96, Vespa Club Prague or we established cooperation with new partners such as the Association of Sports for Joy or the Czech Handball Association. UniCredit Bank in Slovakia was again the general partner of the Bratislava Open 2024 tennis tournament.

The bank also donated a significant part of its charity funds to the cultural sector, where, in addition to our traditional partners, we newly supported the EPO1 Gallery of Modern Art in Trutnov. We did not forget about extraordinary events such as the floods that swept through the Czech Republic in September, when our aid was directed to the most affected area of the Moravian-Silesian region.

### **Financial literacy and children's education**

As part of the „Call for Education“ initiative, UniCredit Group supported the education of young people under 18 through four non-profit organisations. In the Czech Republic, support was directed to Rookit and Chance for Children, and in Slovakia to the Cesta ven and Aj Ty v IT projects.





In addition, we developed the traditional Gift Matching Program, through which the UniCredit Foundation doubled the donations of our employees to a total of 40 non-profit organizations and projects aimed at helping children and adolescents, especially in the field of education, which the UniCredit Group considers very important to support.

In addition to providing financial support to selected entities in the field of education, our employees volunteer to provide education in selected primary, secondary and higher education institutions as part of our Financial Literacy Programme and the Bankers to Schools Programme developed by the Czech Banking Association. Last year, we managed to train more than 5,100 students from almost 100 schools. We continue to develop our programme in cooperation with TEACH FOR ALL in the area of supporting the education of children and improving the qualifications of teachers in Slovakia, and in cooperation with Junior Achievement, an organisation that focuses on high school youth with the aim of developing their entrepreneurial spirit and preparing them for their future careers, where our employees act as mentors and judges at the organisation's events.

### **Environmental protection**

As part of our employee volunteer activities, we also help communities, for example, by regularly participating in UniCredit Kvapke krvi, which we have been organising in cooperation with the National Transfusion Station Slovakia for several years.

In the environmental field, we planted an additional 2,800 beech and maple trees in the Highlands to restore forests after bark beetle calamities, and 400 poplars and willows in Slovakia near the Gabčíkovo hydroelectric dam, thus contributing to the revitalisation of native habitats in the inland Danube Delta.

This year, we also joined the Green Challenge initiative, which together collected almost 80,000 green kilometres on our daily commute to work and saved 9.5 tonnes of CO<sub>2</sub>.

### **Employment relations**

UniCredit Bank is one of the most attractive employers in the Czech Republic and Slovakia, not only because of its offer of responsible and demanding work in the banking sector, but also because of the care it takes of its employees. Employees are entitled to a meal allowance, water at the workplace, Sick Days or regeneration days, and can also use UniCredit Bank banking products on discounted terms or take advantage of company cottages in Horní Malá Úpa. They also appreciate an extra week of holiday, birthday leave or the opportunity to purchase UniCredit employee shares. The area of flexible benefits is also wide, allowing employees to choose from a large number of diverse activities that suit them best.

Benefit programmes ensure equal access to employee benefits for all employees and offer them freedom of choice. The most frequently chosen benefits include pension and life insurance contributions, language courses, cultural and sporting events and holiday allowances. UniCredit Bank values its employees and strives to support them in all situations and life stages. This is why it also offers a number of support programmes and a system of allowances, including life and work anniversary bonuses/allowances, retirement allowances, hardship allowances and a maternity/parental leave support programme. In cooperation with trade unions, the Bank organises cultural and sporting events for employees, their families and the elderly.

### **Anti-corruption rules**

The UniCredit Czech Republic and Slovakia Group applies the principle of zero tolerance to corruption, i.e. it will not tolerate the involvement of its employees or third parties in corrupt behaviour directly or indirectly.

# Sustainability Statement

Year 2024

UniCredit Bank

Czech Republic and Slovakia

## Content

230	General information
294	Environmental information
369	Social information
396	Governance information





# General information

## ESRS2 – General disclosures

### Basis for Preparation

#### BP-1 - General basis for preparation of sustainability statement

The sustainability statements have been prepared on a consolidated basis.

The perimeter adopted for consolidated sustainability statement is the same as for the consolidated financial statement apart from RCI Financial Services, s.r.o. that is in the consolidated financial statement consolidated using the equity method of accounting. It should be noted that no operational control has been identified for this entity consolidated through equity method.

All legal entities consolidated line-by-line in the consolidated financial statements have been included in the sustainability perimeter.

The detail of the subsidiaries included in the Sustainability Statement's perimeter is included in the Notes to the financial statements (consolidated), section II. Basis for the preparation of the financial statements, point 2. Consolidation.

None of the subsidiaries included in the consolidated sustainability statement of UniCredit Bank Czech Republic and Slovakia, a.s. ("the Group" or "UCB CZSK") is exempted from individual or consolidated sustainability reporting. This is because none of the subsidiaries is obliged to prepare its individual or consolidated sustainability statement for the year 2024 according to Section 32g of Act on Accounting No. 563/1991 Coll., as amended.

The Sustainability Statements cover both upstream and downstream value chain segments.

On one hand, the upstream value chain segment mainly covers tier 1 suppliers and business partners. In particular, the Group assesses its sustainability impacts, risks and opportunities, focusing on responsible sourcing, environmental impacts, and social practices. This includes the GHG emissions associated with purchased goods and services (for example categories 1, 2 and 7- Scope 3) and promoting sustainable procurement practices.

On the other side, the downstream value chain segment mainly covers direct clients, investees and business partners.

The disclosure of information about the value chain as of 31 December 2024 includes quantitative metrics related to Scope 3 GHG emissions and qualitative information about material impacts, risks and opportunities (IROs) and PATs (policies, actions, targets).

The Group has not omitted any specific information related to relevant topics, such as intellectual property, know-how or the results of innovation.

#### BP-2 - Disclosures in relation to specific circumstances

For the Group, the **time horizons** are classified as:

- Short term: <1 year
- Medium-term: >1-5 years
- Long-term: 5-10 years or more

These definitions prove to be coherent and concretely implemented across multiple levels and more details are available under the sections that cover ESG (Environmental, Social and Governance) strategy, risk management, and governance.

The definition of medium and long-term horizons is **aligned with financial reports**, ensuring consistency in the communication. It is also aligned with our business model, industry standards, and ESG-related risks and opportunities. In particular, the defined time horizons are linked to our strategic goals, such as climate targets (e.g. net-zero emissions by 2050) and transition plans in response to regulatory changes.

Moreover, decision-making procedures are affected by the identified time-horizons, particularly around lending practices, investment strategies, and risk assessments. These definitions align with stakeholders' expectations: for instance, investors, regulators and other key parties have been engaged to confirm time horizons, which also align with initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD).

As indicated before, topical standards require to include value chain quantitative data only for some metrics. Such metrics for the Group include Scope 3 GHG emissions from each significant Scope 3 category. These emissions typically require data directly provided from clients, suppliers, business partners and other counterparties involved with specific business relationships with the Group. According to the standard, when primary information related to the value chain, after making reasonable effort cannot be collected, such information shall be estimated, using proxies, sector data and other information from indirect sources.

The following factors contributed to UniCredit Group and also UCB CZSK decision on using estimated data:

- the size of the Group involves a large number of actors for multiple different services offered, and mapping all actors and business relationships (direct and indirect) is a very complex exercise

- sector-specific standards with specific references to data and information on the value chain for financial institutions are still not available
- the availability of efficient tools to access and share value-chain information is limited
- the Group has a large number of counterparties, including not only large international companies but also SMEs, which may not have the necessary resources to easily and quickly provide the information of interest to the reporting
- the information on the value chain could not have the qualitative characteristics required by the standard due to the possible lack of technical readiness of the actor in the value chain.

UCB CZSK in line with the UniCredit Group decided to use estimation processes based on proxies and sector data to estimate the value chain quantitative metrics (scope 3 GHG emissions) and to consider only first-tier counterparties in mapping its value chain.

In particular, the information subject to the **estimation process includes scope 3 emissions** (both financed and own emissions).

Financed emission have been estimated for Non-Financial Corporations and Households counterparties while excluding data and information on (i) financial institutions, (ii) other financial corporations and (iii) government and administrative corporations, considering that no reliable data are available for the first year sustainability reporting.

Given the complexity of measuring sustainability impacts across the bank's entire value chain, UniCredit Group and UCB CZSK employed a range of techniques to ensure that the reporting aligns with recognized standards while providing transparency about the limitations and estimations involved. The preparation of value chain metrics follows globally recognized frameworks, ensuring consistency and comparability across reporting periods.

The primary frameworks used included:

- Greenhouse Gas (GHG) Protocol for calculating Scope 3 emissions, covering both upstream and downstream activities
- Partnership for Carbon Accounting Financials (PCAF) for estimating scope 3 emissions related to loans and investments in the financial portfolio.

These methodologies provide structured approaches for collecting, estimating, and reporting data where direct measurements are not available.

In the absence of primary data from stakeholders, UniCredit Group and UCB CZSK relies on estimation techniques that involve assumptions based on the best available information. These techniques include:

**Emissions factors:** For Scope 3 GHG emissions, as indicated by PCAF and the GHG Protocol, emissions factors from recognized sources are applied to financial data (e.g. loan amount, expenses, etc.) to estimate carbon emissions.

**Proxy data:** When client-specific data is missing, proxies are used. For example, carbon intensity averages from similar industries are applied to estimate emissions

**Scenario analysis:** UniCredit uses scenario analysis based on future regulatory and environmental changes to estimate potential impacts for metrics such as climate-related risks. The scenario used are baseline, delayed transition, and energy disorder.

When quantitative metrics, including upstream and downstream value chain information, cannot be measured directly and can only be estimated, measurement uncertainty may arise. The use of reasonable assumptions and estimates, including scenario analysis, proxies and sector data, is an essential part of preparing sustainability-related information and does not undermine its usefulness, provided that the assumptions and estimates are accurately described and explained.

While UniCredit Group and UCB CZSK strives to use the most accurate data, such as primary data provided directly by clients or suppliers, some metrics rely on estimates derived from indirect sources, for example, data derived from industry averages or secondary sources and proxy data or assumptions based on broader sectoral information.

Potential estimates are based on the best available information. Data and assumptions in preparing the sustainability statement are consistent with the corresponding financial data and assumptions used in the Group consolidated financial statements.

Information related to the use of estimation and the connected level of accuracy are clearly stated in the reporting and the metrics are subject to specific controls to ensure accuracy.

To improve the accuracy of value chain metrics, UniCredit Group and UCB CZSK engages with clients and suppliers and, where not possible, with external information providers, to encourage more direct reporting and refine the estimation processes over time. Additionally, UniCredit regularly reviews and updates the methodologies used, in line with the latest standards and market developments.

By applying these estimation techniques and methodologies, UniCredit Group and UCB CZSK ensure that the sustainability metrics provide a meaningful representation of the bank's impact across the value chain, supporting the commitment to transparent and responsible reporting.

None of the metrics presented in the report have been verified by an independent verifier other than the assurance provider, unless otherwise stated.

Changes in preparation and presentation of sustainability information, resulting comparisons of information with prior periods, as well as disclosures of prior period material errors and corrections cannot be presented for reporting periods before the first year of application of ESRS.

These Sustainability Statements do not include additional disclosures stemming from applicable legislations, except for the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament (reference is made to Disclosure pursuant to Article 8 of Regulation 2020/852 -EU Taxonomy Regulation). The only requirements incorporated by reference in the Sustainability Statements are the IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities, in particular on Climate topics.

## Governance

### GOV-1 - The role of the administrative, management and supervisory bodies

#### Governance model

The parent company of the Group, UniCredit Bank Czech Republic and Slovakia, a.s. ("UniCredit Bank") is a joint-stock company incorporated according to Czech law. UniCredit Bank owns a branch in the Slovak Republic under the name UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky.

In carrying out its activities in the Czech market, UniCredit Bank is governed by Czech legal regulations, in particular the Banking Act, the Civil Code, the Act on Business Corporations and regulations governing operations in the banking and capital markets. In the Slovak market, where UniCredit Bank has operated since 1 December 2013 through its organisational unit, the Bank is also governed by applicable Slovak legal regulations.

UniCredit Bank voluntarily complies with the Czech Corporate Governance Code 2018 (the "Code"), the full text of which is available at <https://www.mfcr.cz/cs/o-ministerstvu/odborne-studie-a-vyzkumy/2019/kodexspravy-a-rizeni-spolecnosti-cr-201-34812>. UniCredit Bank has not been able to adopt the Code as a whole because it fails to comply with clause 7.1.2 of the Code, which requires the Articles of Association to identify key decisions of the Board of Directors of fundamental importance that would be subject to prior approval by the Supervisory Board. This provision, which was included in UniCredit Bank's Articles of Association until 2020, was, on the contrary, deleted following the conclusion of the Czech National Bank's inspection of UniCredit Bank, where the CNB concluded that the Articles of Association as then worded were invalid to this extent due to a contradiction with corporate law and the requirement for a balance of competences, while interference with the competence of the Board of Directors is possible only on the part of the General Meeting, which may reserve the competence in question in the Articles of Association.

Furthermore, UniCredit Bank does not comply with clause 10.2.1 (according to which it should identify and specify significant related party transactions, which must always be formally approved by the General Meeting). Such transactions are approved by a special committee in UniCredit Group), 10.2.2 (according to which the company should disclose significant related party transactions on its website), 10.5.1 (according to which half-yearly reports should be submitted to non-executive members of elected bodies before publication).

#### Corporate bodies composition

##### General Meeting of the Bank

The General Meeting of Shareholders is the Bank's supreme body. It decides on all affairs of the Bank falling under its competence by law or under these Articles of Association.

##### Board of Directors of the Bank

The Board of Directors is the statutory body of Bank, with eight members as of 31 December 2024. The members of the Board of Directors exercise their powers and responsibilities within the office on their own. The members of the Board of Directors are elected by the Supervisory Board for a period of three years. The Supervisory Board may at any time dismiss any of the members of the Board of Directors, irrespective of their term of office. Only persons meeting the relevant legal requirements may be appointed as members of the Board of Directors.

##### Supervisory Board of the Bank

The Supervisory Board has nine members, of which six are elected and dismissed by the General Meeting and three are elected and dismissed by the company's employees in accordance with the Act on Business Corporations with reference to the Act on Transformations of Commercial Companies and Cooperatives. The members of the Supervisory Board exercise their powers and responsibilities within the office on their own. Members of the Supervisory Board are elected for the period of three years and may be re-elected.

As of 31 December 2024 independent board members represents 12,50% from the total number of Supervisory Board members.

##### Remuneration Committee

The Supervisory Board set up the Remuneration Committee which consists of three members of the Supervisory Board. The powers of the Remuneration Committee include preparation of draft resolutions on remuneration, including those adopted by the Bank's Supervisory Board and having an impact on the obligor's risks and risk management. When preparing those resolutions, the Remuneration Committee takes into consideration the long-term interests of the Bank's shareholders, investors and other stakeholders, as well as the public interest. The Remuneration Committee directly supervises the remuneration of managers responsible for risk management, internal audit and compliance functions.

#### Nomination Committee

The Supervisory Board set up the Nomination Committee which consists of three members of the Supervisory Board. The powers of the Nomination Committee include the selection of candidates for vacancies in the Bank's Board of Directors and submitting them for approval to the Supervisory Board, as well as candidates for approval by the sole shareholder for positions on the Supervisory Board. Within this task, the Nomination Committee also assesses the proper proportion in competence, skills and diversity in composition of the body as a whole.

#### Risk Committee

The Supervisory Board set up the Risk Committee which consists of three members of the Supervisory Board. The Risk Committee advises the Board on the Bank's overall current and future risk appetite and strategy and assists the Board in overseeing the implementation of this strategy by senior management. The Board of Directors retains overall responsibility for risk. The Risk Committee reviews whether the pricing of liabilities, assets and off-balance sheet items offered to customers fully reflect the Bank's business model and risk strategy. Where prices do not adequately reflect risks in line with the business model and risk strategy, the Risk Committee shall submit a remedial action plan to the Supervisory Board. The Risk Committee determines the nature, amount, format and frequency of risk information to be received.

#### Audit Committee

The Audit Committee is an independent committee with the task of overseeing, monitoring and advising in matters of concern regarding accounting and financial reporting, internal control, auditing and risk management, external auditing, and monitoring compliance with laws, the Bank's regulations and the Code of Conduct. The Audit Committee consists of 3 (three) members appointed and dismissed by the General Meeting for a term of 3 (three) years from among the Supervisory Board members or third persons. Majority of the members of the Audit Committee must be independent and competent. At least one member of the Audit Committee must be a person who is, or was, a statutory auditor or a person whose knowledge or work experience in the area of accounting are a precondition for due exercise of the office of an Audit Committee member in view of the sector in which the Bank operates; such a member must at all times be independent.

Training on sustainability related topics plays an important role in ensuring the effectiveness of the ESG Strategy and the oversight of related matters.

With regard to induction initiatives at recurring training, at UCB CZSK an induction programme is active for the Board members, based on three-year cycles connected to the Board's mandate, with the aim of ensuring ad hoc training by taking into account both individual and collective needs.

The induction programme and recurrent training respectively include sessions aimed at fostering the integration of new Directors and training to preserve over time the expertise needed for the proper fulfilment of their duties.

In addition, individual training plans will be activated, should they be deemed necessary, to strengthen specific individuals' technical knowledge and expertise and to increase the level of diversity and the collective experience of the Board of Directors.

In 2024, a dedicated session was held for the Board of Directors on ESG matters (our approach, key regulatory priorities, path to Net Zero).

Theoretical and practical experience of the Board of Directors' members was reviewed during the last assessment of the Management Board done by Supervisory Board in September 2023 and found appropriate.

#### Diversity

The composition of the Board of Directors, as resulting from the appointing process, qualitatively and quantitatively corresponds to the theoretical profile and meets the suitable requirements established by current provisions. The Directors' personal qualities and the diversity requirements (including age, geographical mix and gender diversity) comply with the principles of the theoretical profile.

Specifically, with regard to the collective composition of the Board at the approval date of this document:

- it presents a diversity in terms of gender a ratio of female to male equal to 33% (two women to six men),
- Average age of the member of the Board is 46 years
- geographical mix - 50% of them come from CZ&SK and 50 % represent other countries
- 87% of the directors have international experience

#### Responsibilities of the bodies charged with strategic supervision, management and controlling functions

UniCredit Group and also in UCB CZSK bodies charged with strategic supervision, management and controlling functions are responsible for overseeing impacts, risks and opportunities, according to their respective areas of competence.

UCB CZSK Board of Directors (i) approves all actions and activities connected with the fulfillment of commitments defined in the Group's ESG Strategy, and (ii) establishes policies to govern the risks to which the Bank may be exposed, risk targets and tolerance thresholds, as well as reviewing them periodically in order to ensure that they remain effective over time, and monitoring that risk management and control processes tangibly work, in compliance with applicable legal and regulatory provisions.



The Board approves the Risk Appetite Framework (RAF), which establishes the desired risk profile vis-à-vis its short and long-term strategic objectives and business plan, ensuring that the way the RAF has been implemented complies with approved risk objectives and tolerance thresholds; periodically evaluating the adequacy and efficacy of the RAF and compatibility between actual and target risks.

Notwithstanding the Board of Directors' responsibilities, the Chief Executive Officer, also leveraging on the UCB CZSK's competent functions:

- identifies the UCB CZSK's risks submitting them to the Board. To that end, the Chief Executive Officer must have in-depth knowledge about all corporate risks and, as part of an integrated management-oriented approach, their reciprocal relationships, taking into account how external circumstances (including macroeconomic risks) evolve;
- identifies the strategies regarding the overall steering of the Bank and of the Group to be submitted to the Board;
- ensures the implementation of the strategic guidelines, the RAF and the risk management policies defined by the Board also by planning, managing and monitoring the internal controls and risks management system;
- establishes the internal information flows necessary to ensure that the corporate bodies have the information necessary to fully understand and govern risk factors and verify compliance with the RAF.

In addition to the expertise in sustainability-related matters already embedded in the Board of Directors, both the Board and its Committees in performing their duties have access to the financial resources necessary to guarantee their operational independence and, within the limitations of the relevant budget, may consult external experts.

The responsibilities of the Board of Directors and its Committees are described and formalised in the Board and Board Committees Regulation, adopted by the Board of Directors according to applicable laws and the Company's Articles of Association. The responsibilities of the Chief Executive Officer are described and formalised in the UniCredit Group Organisational Book, adopted in local Organization rules.

According to national provisions, also of a regulatory nature, the roles and responsibilities assigned to the bodies charged respectively with supervisory strategic functions and with management (executive) functions within the internal control system could not be delegated. Within the internal control systems, specific controls and monitoring activities are carried out specifically in relation to the assessment of impacts, risks and opportunities, in order to ensure the consistency with the requirements of the European Sustainability Reporting Standards on double materiality.

The Risk Committee supports the Board of Directors in risk management related matters, performing all the activities instrumental and necessary for the Board to make a correct and effective determination of the Risk Appetite Framework and of the risk management policies. In particular, the Risk Committee supports the Board (i) in defining and approving the risk management strategic guidelines, framework and policies, including those regarding climate and environmental risks, non-compliance risk, and risk data quality; and (ii) in verifying that risk strategies, management policies and the RAF are correctly implemented.

#### **Role of the administrative, management and supervisory bodies related to business conduct**

At UniCredit Group and also in UCB CZSK, the Board of Directors plays a crucial role in shaping and overseeing the company's business conduct. In particular, the Board approves the UniCredit Group Code of Conduct that is implemented and followed in UCB CZSK, which entails principles that all employees and partnering third parties must comply with to ensure high standards of professional conduct and integrity related to their activity in, or on behalf of, UniCredit Group and also in UCB CZSK.

The Code of Conduct has been written in line with UniCredit Group values - integrity, ownership and caring - that drive our purpose to deliver exceptional performance and have a positive impact on our customers, shareholders, communities and our people. At UniCredit Group and also in UCB CZSK, our mindset is to "win in the right way and together", putting our values at the heart of our decision-making and everything we do.

UniCredit Group and also UCB CZSK's business conduct is also driven by UniCredit Group top management through the implementation of a yearly "Tone from the top" programme. The programme emphasises the promotion of compliance and risk awareness across the bank. Each year, top managers select a set of topics based on risk drivers which are sponsored and cascaded throughout the UniCredit Group population.

In 2024 following topics were presented and cascaded: Conduct - Unfair Commercial Practices, Financial Sanctions, ESG - Sensitive sectors, AML, Confidential & Inside Information, Data Protection and Digital Risk.

## ***Roles and responsibilities of the management bodies in exercising oversight of the process to manage material impacts, risks and opportunities***

**Local ESG** function, steers the definition and implementation of the Group's ESG strategy. It ensures the ESG framework is consistent with the Group's principles and Purpose and with relevant international standards and practices. The function is tasked with, inter alia, developing the social agenda and related proposition, monitoring and disclosing the local's ESG impacts and results, and with overseeing the adoption of relevant policies and standards.

Within the risk area, dedicated function has been devoted to the integration of climate topics within risk management activities and the effective sharing of relative knowledge. Such function oversees climate-related and environmental risks, acting as a central steering and coordination role to ensure alignment with ECB guidelines on climate and related implementation plans, and manages the integration of climate and environmental factors within the credit risk cycle.

On the business opportunity side, **ESG Advisory**, part of UniCredit Group Client Solutions, is a **multi-disciplinary solutions team** focused on enabling clients to **create long-term stakeholder value** by integrating sustainability into their strategic decisions, including by:

- providing independent first-class advisory services aimed at building resilience and adaptability to climate change while exploiting transition opportunities;
- assessing the impact of applicable regulations, sustainable finance market principles and practices, market trends and stakeholders' expectations on clients' business models;
- steering the company's strategy communications with investors, advising on ESG Ratings and reporting;
- identifying the most suitable solutions based on the defined strategic positioning.

Furthermore, ESG matters are embedded across through **dedicated teams and experts** in several Bank functions which manage ESG topics in line with their areas of competency. Other functions, e.g. Compliance, have resources dedicated to ESG-related topics.

The Group Risk function has defined specific guidelines to embed Climate and Environmental considerations within the Corporate origination/annual credit review process with the aim to complement the creditworthiness assessment with climate aspects, identifying then the proper strategy to be applied and, therefore, relevant categories of banking products and services that the Business can offer to clients. Although the main driver for the strategy identification is the Transition Risk score attributed to the counterparty, there are other information (i.e., outcome of reputational risk assessment, Net zero trajectory, counterparty's physical risk) to be taken into consideration since they may have impacts in terms of strategy to be adopted. The guidelines were implemented locally. The entire process is mainly governed by the Relationship Manager (RM) in proponent business function and follows the standard approval path.

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

The year 2024 marks the UCB CZSK's first experience in performing a double materiality analysis fully aligned with the requirements of the CSRD framework. As a result, the processes for determining the frequency and methodologies for the supervision of material IROs (Impact and Risk Opportunities) by the Board and its Committees are still under development. During this initial phase, the focus has been on setting the foundation for effective oversight, and the Board has already been actively involved. Specifically, in December 2024, the UCB CZSK Board of Directors (Management Board) approved the outcomes of the double materiality analysis, including the identification of material IROs.

Moving forward, UCB CZSK acknowledges the need to strengthen and institutionalize the supervision of material IROs, ensuring that both the Board and the relevant Committees dedicate greater attention to these aspects. The intention is to implement a more structured and frequent review process that aligns with the company's long-term commitment to embedding double materiality principles into its governance and decision-making framework.

Given the novelty of this process, UCB CZSK is still in the process of defining the frequency and mechanisms through which material IROs (Impact and Risk Opportunities) will be monitored and supervised by the administrative, management, and supervisory bodies.

Looking ahead, UCB CZSK is committed to refining and formalizing its approach to governance in this area. A higher degree of engagement is anticipated, with material IROs receiving more frequent and systematic attention from the administrative, management, and supervisory bodies. This evolving process reflects the company's dedication to aligning its governance structures with the principles and expectations set forth by the CSRD, ensuring that sustainability and material impacts are fully integrated into strategic oversight practices.



## GOV-3 - Integration of sustainability-related performance in incentive schemes

The principles of sustainable conduct and performance define the key pillars of the UniCredit Group Remuneration Policy, which ensures competitiveness and effectiveness of remuneration, transparency and internal equity. Its framework is designed to ensure the consistency of the remuneration elements and systems while also conforming to our Group's long-term strategies and principles of sound risk management.

The UniCredit Group Incentive System ("GIS") 2025 has been confirmed as a Sustainable Performance Plan, based on both short-term and long-term performance conditions, to support UniCredit Group's strategic direction by fostering a strong link between remuneration, risk and sustainable profitability.

Through the Incentive System, UniCredit Group seeks to retain and motivate each beneficiary by providing incentives that aim to reward contributions to the long-term growth, profitability and financial success of the Group - with a focus on reputation and overall sustainability which contributes to the achievement of business goals over time.

The Incentive System aims to provide an appropriate balance of variable compensation elements, align the interests of employees, shareholders and other stakeholders, strengthen the UniCredit Group's position as a leading European bank and achieve effective compensation practices in compliance with the regulatory environment.

In addition, the Incentive System aims to align top and senior management interests with long-term value creation for shareholders, share price and UniCredit Group performance and to sustain a sound and prudent approach to risk management, combining annual goals with additional long-term conditions to steer the performance management measurement toward sustainable results over time. The System also has the characteristics to be considered a "retention" tool for retaining key players and achieving strategic priorities.

The 2025 variable remuneration framework continues to be based on a "bonus pool" approach ensuring an overall performance assessment both at UniCredit Group/Division/Country level and at the individual level. This is fully in line with regulatory requirements and consistent with risk appetite and compliance standards.

The incentive plan ("Sustainable Performance Plan") has been structured to best support the delivery of the Strategic Plan on a yearly basis while ensuring that results delivered are sustainable over time via long-term performance conditions, considering the significant transformational effort of the Strategic Plan.

The key design principles of the incentive system remain unchanged, as follows:

- Rolling structure: to allow for a yearly verification of the adequacy of the compensation arrangements
- Double-assessment of performance: combined system that requires the reconfirmation of short-term performance (2025) over the long-term (2026-2028) to guarantee the sustainability of the results in the context of a transformation of the operating model
- Shareholders' alignment: pay out 100% in shares for the CEO, UniCredit Group Executive Committee (GEC) members and UniCredit Group Chief Audit Executive (CAE), and primarily in shares for the other executives, with a long deferral period (total plan duration eight years)
- Pay for performance: providing clear performance conditions anchored to UniCredit Group Strategic Plan pillars, with ambitious targets and rigorous pay-for-performance correlation to ensure meritocracy and fairness. The scorecards are based on a combination of financial targets and non-financial goals, supported by a structured goal-setting framework based on the "KPI Bluebook", a catalogue of certified KPIs set by relevant group key functions and specific goal-setting guidelines in line with regulatory provisions.

Locally, previous version of UniCredit Group Incentive system from 2024 was localized based on regulatory and organizational specifics of UCB CZSK. Rules stipulated in GIS 2024 are applied to Material Risk Takers (Identified Staff) which is identified and approved by Supervisory Board. Principles of Group Remuneration Policy ("GRP") are applied locally in local remuneration rules (Wage order) and practices. Localization for UCB CZSK was approved by Compensation Committee and Supervisory Board. Similarly, GRP is also approved and adopted by subsidiaries of UCB CZSK. The updated version of the UniCredit Group Incentive system 2025 differs not significantly from the previous version.

For the CEO and DCEO, 60% of the bonus will be deferred and subject to additional long-term performance conditions, defined at UniCredit Group level and covering the three years following the 2025 annual performance (i.e. from 2026 to 2028).

Among the long-term performance conditions, Sustainability (non-financial section of the scorecard), including climate-related KPIs, is weighted to account for 20% of the overall long-term scorecard.

As part of the additional long-term performance conditions, the sustainability goal primarily aims to support clients in their green and social transition while also embedding sustainability and diversity, equity and inclusion (DE&I) ambitions into the UniCredit culture. This goal includes a specific focus on climate risk through Net Zero commitments.

The above-mentioned goal is subject to a qualitative assessment based on specific evidence derived from both current and future ESG and DE&I strategies.

The current strategy envisages:

- ESG business penetration: support our clients in their sustainability journey offering ESG related products and services to ensure a fair share of ESG business over total (lending new production, sustainable bonds, stock of AuM10), starting from 2025 ESG targets and successive updates as per ESG strategy;
- DE&I priorities: progress towards gender parity at all levels in line with best market practices; ensure equal pay for equal work; expand DE&I efforts and foster corporate Culture and Well-being through dedicated initiatives;
- “Net Zero” commitments: progress vs. Net Zero 2030 targets disclosed to the market, related to Oil & Gas, Power Generation, Automotive, and Commercial Real Estate on which yearly Tier 1 RAF targets are defined and monitored.

To align the UniCredit Group’s management structure and reinforce management’s commitment to UniCredit Group ESG strategy, these objectives are cascaded to the CEO’s reporting line and extended to the organisational levels below.

In particular, the long-term sustainability goal is assigned to the entire UniCredit Group Material Risk Takers (GMRT) population (i.e. those categories of employees whose professional activities have a material impact on an institution’s risk profile) belonging to business functions up to the level of UniCredit Group Executive Committee-1.

All other GMRT scorecards for assessing short-term performance include at least one ESG goal. These goals can be selected from a cluster of ESG KPIs included in the KPI Bluebook, a catalogue of performance indicators reviewed annually by the relevant key functions within the UniCredit Group. ESG Strategy and Net Zero are among the ESG KPIs defined in the Bluebook.

The approach to compensation for UniCredit Group’s top managers, as detailed in the UniCredit Group Remuneration Policy, is connected to performance and market awareness and aligns with UniCredit Group’s business strategy and shareholders’ interests.

The UniCredit Group Remuneration Policy provides more details on the compensation of top management leaders and members of UniCredit’s administrative and auditing bodies.

## GOV-4 - Statement on due diligence

UCB CZSK’s due diligence process is not a standalone, formalized procedure but is fully integrated within its strategic and business model framework. This embedded approach ensures that due diligence is part of the UCB CZSK’s ongoing operations, specifically in identifying and managing negative impacts. According to the 2024 double materiality assessment (“DMA”), the UCB CZSK compiled a list of both positive and negative impacts to focus on and, following the steps of double materiality, subjected this list to thorough assessment by top management and external stakeholders to determine relevance and materiality. The assessment results were then communicated and approved by the UCB CZSK Board of Directors.

As identified in the table “List of material IROs” (reference is made to “SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model”) the material negative impacts are associated with climate change, circular economy, and consumers and end-users topics. In particular, the environmental-related impacts refer to the generation of GHG emissions and the employment of high resource inflows and waste production; the social-related impact refers to potential breaches and loss of customers’ data. The management of impacts is addressed by UCB CZSK and embedded in its strategy and business model.

Furthermore, for each matter, the UCB CZSK has developed specific policies, actions, targets, and metrics (described in the dedicated sections) to effectively monitor and manage these negative impacts over time.

## GOV-5 - Risk management and internal controls over sustainability reporting

The internal control system for sustainability reporting has been defined and implemented to ensure the integrity, completeness, reliability and accuracy of sustainability data and information subject to external disclosure, and to comply with the requirements provided by law.

The manager specifically competent in sustainability reporting shall confirm, in a proper attestation, that the sustainability reporting included in the management report has been drawn up in compliance with the reporting standards applied pursuant to Directive 2013/24/EU of the European Parliament and of the Council of 26 June 2013, the Legislative Decree adopted in accordance with Article 13 of Law no. 15 of 21 February 2024 and the specifications adopted in accordance with Article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

The internal control system framework for sustainability matters has been designed by mirroring the existing framework for financial reporting adopted by the Bank and aligning it with the characteristics of ESG reporting. This approach includes the application of a common methodological framework, based on:

- using a consistent, centrally-developed internal control system model inspired by internationally-acknowledged methodological standard issued by Committee of Sponsoring Organization of Treadway Commission (CoSO) and updated on March 2023 by introducing the “Internal Control over sustainability reporting”, that recalls the “Internal Control-Integrated Framework” referring to the financial reporting;
- updating and broadcasting within the Group on the basis of centrally-established parameters.

The pillars of the above mentioned model and the Bank framework, implemented with regard to sustainability reporting, consist of:

- **Entity Level Controls**, which are normally structural elements of the control system; specifically, in such context, they are referred to the alignment of governance policies with ESG topics
- **Process-level controls**, including the description of the organizational model (roles, processes and controls) to produce sustainability reporting and control testing in performing operational activities to obtain the evidence for assessing the effectiveness of internal controls environment over sustainability reporting.

Operational implementation of the adopted model envisages:

- the identification, for the Bank and subsidiaries involved, of processes (i.e., perimeter of Group Entities in scope for the reporting, value chain analysis, double materiality assessment, data information collection and output disclosure, reconciliation of ESG information between financial and sustainability disclosures) that have a significant impact on sustainability reporting through the risk and control assessment in terms of completeness, relevance, faithful representation also including the accuracy of the estimation results, verifiability, understandability and comparability
- the detection for such processes of the controls and the owners in charge of first-level controls at individual companies, formalised in procedure narratives that also include the risk and control matrix and any proposed remediation action. Owners are required first and foremost to ensure assessment of the effectiveness of controls, pointing out any possible action necessary to reduce levels of associated risk.

Therefore, every procedure and control is documented, assessed, tested and validated, and individual managerial responsibility is defined for carrying out the activities involved.

**Risk assessments and internal controls** regarding the sustainability reporting process have therefore been integrated into relevant internal functions and processes with periodic reporting to administrative, management and supervisory bodies; specifically, at the Bank level, the ESG Manager provides:

- to the Board of Director meeting, where consolidated annual financial statements are presented, the report on the internal control system on Sustainability Reporting, including the description of findings and any remediation action, and the text of the attestation to be signed to ensure compliance with the requirements laid down in the regulations
- to the Audit Committee, the report and the update on the internal control system on Sustainability Reporting also including the description of findings and the status of any identified remediation action.

For the Group subsidiaries, a flow of internal certifications is required for the internal controls system following the approach adopted by the Bank. This entails:

- giving the governing bodies of companies responsibility for certifying adequacy and the effective application of procedures and controls linked to Sustainability Reporting to the Parent Company and for attesting that such reporting has been drawn up in line with the instructions received by the Parent Company compliant to the law requirements
- setting roles within the companies involved and assigning them responsibility for systematically reporting to their respective governing bodies on the status of the internal controls system on Sustainability Reporting, along with any improvement action plan.

# Strategy

## SBM-1 - Strategy, business model and value chain

UniCredit Group is a pan-European Commercial Bank. UniCredit Group serves circa 15 million clients with 13 leading banks in 4 European regions: Italy, Germany, Central and Eastern Europe.

UniCredit Group is the partner of choice for our clients' increasingly sophisticated demands in financing, advisory, investments and protection. UniCredit Group delivers tailored solutions in advisory, financing, risk management, trade and working capital for our corporate clients; a rich offering of investment and protection products for individuals; payments solutions supporting corporates, financial institutions, and individual customers in all their payments and liquidity management needs.

UniCredit Group total headcount of 75 265 employees is divided as follows: Italy 35 317, Germany 9 995, Central Europe 10 218, Eastern Europe 19 668, Others 80.

UCB CZSK total headcount as of 31 December 2024 is as follows:

- Czech Republic – 2 450
- Slovakia – 1 016

UniCredit is not operating in any of the sectors listed in ESRS2 SBM-1 Strategy, business model and value chain, par. 40(d) (fossil fuels, chemical productions, controversial weapons, cultivation and production of tobacco), consequently there are no revenues related to such activities.

### Sustainability-related goals in terms of products, services, customers and markets

ESG principles are embedded in all we do and at UniCredit Group and also at UCB CZSK we are committed to deliver our ESG framework in line with our stakeholders' expectations:

- We put our Clients back at the centre, providing them best in class product offering;
- We value and empower our People, strengthening their competences and fostering diversity and inclusion;
- We remunerate our Shareholders, delivering sustainable quality growth across all regions and offering attractive opportunities for our investors, while preserving capital strength and propelling the future.

UniCredit Group offers a wide range of products and services to meet our client needs in Italy, Germany, Central and Eastern Europe.

Clients in UCB CZSK taking advantage of a comprehensive offering created by our three global product factories – Corporate, Individual and Payment Solutions. These factories each deliver solutions, developed internally or through our dynamic ecosystem of trusted partners.

Starting from 2023, we've further reinforced our in-house expertise in the factories, rebuilding and enhancing the internal solutions we offer organically, while strengthening our strategic partnerships with industry leading companies.

#### Corporate Solutions

Our inherent strengths are an extensive corporate client base with unique SME penetration, as well as unique cross-border positioning that enables us to support clients in their growth and their sustainable path.

During 2024, we further invested in developing our talent and product expertise to covering all corporates' value added needs with top-notch comprehensive solutions developed in house.

Our Corporate portal is a single-entry point for clients to access our digital product offering, demonstrating the value of our Group-wide scale and scope for us and for our clients.

Our ESG proposition for corporate consists of:

- ESG financing products: use of proceeds, sustainability linked, off-the-shelf products, including:
  - Green finance solutions for investment in renewable sources and energy efficiency activities to support corporates in their decarbonization path;
  - Social finance solutions to support specific sectors (education, health, social infrastructures) or SME in disadvantaged areas;
- Dedicated ESG advisory, supporting our clients with strategic and tactical advice (e.g. investor engagement, transition plans, ESG structuring and coordination, origination of sustainable bonds);
- Strategic partnerships on ESG (e.g., Opennes to assess ESG clients' maturity and define a sustainable development path);
- Specific clients' risk management solutions, such as derivatives or commodities supporting our clients to navigate the transition.

### Individual Solutions

Our inherent strengths are our extensive high-quality products and services offering, strong partnerships with industry leaders, as well as our enormous potential to offer clients innovations.

Combining our in-house capabilities with top-notch external expertise and products, we are able to offer a greater choice, while our global solutions and platforms are available to all clients across our geographies.

Our ESG proposition for individuals includes:

- ESG Financing products, such as:
  - Environmental finance solutions to support house renovation activities and energy efficiency interventions (also based on national and supranational guarantees programmes);
  - Social finance solutions: such as inclusive finance solutions for vulnerable categories (e.g. Mortgage for Young Families);
- Dedicated ESG catalogue for assets under management.

### Strategy that relates to sustainability matters, value chain and business model

UniCredit Group ESG strategy supports, above all, the fulfilment of the UniCredit Group purpose of empowering communities to progress. A principle-based approach guides actions, enabling us to embed sustainability in everything we do while constantly adapting strategy to the mutable external context.

ESG strategy is based on a set of interrelated elements that build upon each other: guided by principles, we work to implement the key enablers, which support selected strategic levers that, in turn, allow us to achieve the goals underlying ESG ambition. This interconnected framework ensures alignment and cohesion across all ESG initiatives, maximizing impact.

Our Principles: As mentioned, ESG strategy is rooted in the guiding principles aligned with UniCredit Group Values. These principles drive everything we do, ensuring that sustainability is embedded in all aspects of operations:

- Integrity: We hold ourselves to the highest possible standards, ensuring that we always do the right thing for clients and communities.
- Ownership: We are fully committed to playing our part in supporting clients through a just and fair transition to a sustainable future.
- Caring: We respect and balance the perspectives and priorities of all stakeholders, ensuring these are reflected in business and decision-making processes.

These principles form the foundation of approach to Environmental, Social, and Governance (ESG) initiatives, supporting the fulfilment of ambition to lead by example in Empowering Communities to Progress.

Goals: We are constantly evolving approach to ESG target-setting, driven by regulatory changes and market forces. This has led us to set ESG penetration targets to create a transparent and meaningful view of ESG performance. Furthermore, we work to align lending portfolio with net-zero targets, as part of commitment to supporting the global transition to a sustainable future.

Strategic levers:

- Championing Social: We place a strong emphasis on backing communities, people, and society, striving to create lasting social value through initiatives that support and uplift those around us.
- Enhanced Client Support: Through Net Zero Strategy and Transition Plan, we offer clients the tools and resources to achieve their own sustainability goals, enabling them to transition to a low-carbon economy.
- Beyond Climate: We go beyond climate by assessing natural capital risks and opportunities-recognizing the critical need to protect the environment and manage natural resources responsibly, while exploring sustainable opportunities.
- Evidencing Accountability: Transparency is at the heart of strategy. We provide clear disclosures and conduct impact assessments to measure and demonstrate the outcomes of ESG actions, reinforcing commitment to accountability.

Enablers:

- Enriched Client Offering: We are expanding and diversifying offer of ESG products, services and advisory enhancing ability to provide comprehensive and tailored solutions to clients, helping them meet their sustainability objectives in a dynamic business environment and achieve their just and fair transition
- Lean Governance: We ensure clear ESG roles and responsibilities, embedding agency and ownership at all levels of the organization. By empowering teams to take initiative, we foster a culture of accountability and effective decision-making in driving ESG outcomes.
- Robust Risk Framework: ESG efforts are underpinned by a robust risk framework that allows for effective monitoring of ESG risks and the lending portfolio. This ensures we remain proactive in managing risk while meeting sustainability targets.
- Empowered Culture: We are united by a common vision, strategy, and principles to Win. The Right Way. Together. By fostering an empowered culture, we ensure that every team member is aligned with ESG goals and committed to making a positive impact.

UCB CZSK integrated and sustainable business model is based on local expertise, inspired by our principles and values.

While UCB CZSK clients access our services through Group branches, our comprehensive offering to meet their needs is created by our three global product factories, Corporate, Individual and Payment Solutions. These factories each deliver top-notch solutions, developed internally or through our dynamic ecosystem of trusted partners.

### **Corporate solutions**

UCB CZSK strengths lie in our extensive corporate client base, with strong SMEs penetration and a unique cross-border positioning that supports clients' trade and growth ambitions. We focus on developing talent and product expertise to meet all corporate needs with comprehensive, in-house solutions. UCB CZSK Corporate portal serves as a single-entry point for clients to access our digital offerings, highlighting the value of our Group-wide scale and scope for both us and our clients.

### **Individual solutions**

UCB CZSK strengths reside in our extensive range of high-quality products and services, strong partnerships with industry leaders, and our ability to offer innovative solutions that leverage the UniCredit Group's scale. In UCB CZSK during 2023, we revitalized our internal asset management factory and launched about twenty Onemarket Funds. By combining in-house capabilities with top-tier external expertise we provide clients with greater choice.

### **Payment solutions**

Our strengths lie in our unique pan-European footprint, cross-border positioning, payments expertise, and advanced data technology. We launched a Group Payments solutions factory and expanding our international payments offering. We also formed an innovative, multi-market partnership with Mastercard. Our strategy is driving us toward our vision of becoming the first choice for payments for every European client.

Our model puts the client at the centre of all that we do and leverages our five capitals (financial, human, social and relationship, intellectual and natural capital) as inputs to create sustainable value.

Understanding how the company's capitals, strategic pillars and business model are interconnected and interact is essential for the correct development of our value-creation process over time. This means being able to detect changes in the external environment, including evolving stakeholder concerns, in order to find internal responses to address expectations, generate value and make the organisation more resilient. We take into account the constant evolution of the market context in which we operate (including key macroeconomic, industry and regulatory trends) and the changing needs of our stakeholders. We use our knowledge of the external context to manage risks and capture opportunities effectively, while maximising the value we create through the successful execution of our strategy.

In this process, listening to stakeholders is of the utmost importance. Intercepting their needs and expectations can orient us towards making the right decisions regarding our offer of responsible lending products, savings, payment and investment products, thus enabling individuals to improve their quality of life and financial stability. We also provide funding to small, medium and large businesses and contribute to financing transition plans and the development of key sectors, contributing to economic growth, job creation and innovation in the countries where we operate.

The core of our business is to support customers and stakeholders in managing social and environmental challenges and financing their investments for a sustainable future. We believe that working towards the delivery of our purpose of empowering communities to progress will give us the financial strength to achieve our ambition to be the bank for Europe's future.

UCB CZSK's value chain can be divided into two main segments: upstream and downstream. These represent different stages of activities and relationships that contribute to the bank's value-creation process.

UCB CZSK's upstream value chain consists of the inputs and activities that enable the bank to provide its products and services. It includes:

- Capital providers such as customer deposits, interbank loans, or funding from capital markets. These funds are the primary input for lending and investment operations
- Suppliers, such as technology providers, for core functions like transaction processing, Customer Relationship Management (CRM), risk management, and compliance; data providers, because banks rely on third-party data providers for credit assessments, market insights, and customer profiling to make informed decisions about lending, investments, and risk management.
- Regulators and compliance entities: banks must operate within strict regulatory frameworks. Inputs from regulatory bodies (e.g. central banks, financial authorities) shape how banks manage risks, capital adequacy, and liquidity.

UCB CZSK's downstream value chain encompasses the distribution and delivery of the Bank's services to end users. It includes:

- Retail customers: individuals who use the bank's products such as savings accounts, loans, mortgages, and credit cards;
- Corporate clients: businesses and institutions that use services like corporate banking, loans, treasury management, and advisory;
- Wealth management and investment services: high-net-worth individuals and institutional clients seeking portfolio management, investment advisory, and other asset management services;
- Business partners: UniCredit collaborates with fintechs, payment processors, and other service providers to deliver better financial solutions to customers as well as asset management and insurance companies.



UCB CZSK acts as an intermediary in the value chain, linking capital providers (depositors, markets) with borrowers and investors. It also acts as a service provider to businesses and individuals by offering financial solutions that help manage money, investments, and risks. The bank's position in the value chain is unique because it facilitates the flow of capital, manages risk, and supports economic activity.

UCB CZSK creates value through a well-coordinated value chain, where upstream inputs enable efficient operations and risk management, while downstream relationships drive revenue through customer acquisition, loyalty, and service innovation. The bank's position as an intermediary and service provider allows it to balance risk, efficiency, and customer needs, ensuring long-term profitability and market competitiveness.

## SBM-2 - Interests and views of stakeholders

### General

By remaining steadfast to our commitment and taking decisive actions, we strive to understand our stakeholders' expectations. They contribute to much more than financial success, providing our clients with support during the transition, enhancing corporate citizenship and, in line with our role as a bank, integrating social purpose into everyday business and offers.

We believe that close relationships with our main stakeholders create long-term value and support individual and collective growth. Listening to the full range of our stakeholders is central to how we work. We continually seek their feedback to strengthen stakeholder relationships and improve how we meet their needs.

We encourage our stakeholders to share their views and concerns and work hard to respond quickly and accurately. Gathering and analysing stakeholder feedback not only provides us with valuable insights into their needs, but it also helps us manage the risks and opportunities we face and underpins our drive to achieve long-term sustainability.

Our key stakeholders include clients, colleagues, investors/shareholders, regulators, and communities. We leverage a broad range of stakeholder engagement tools, more specifically:

- Clients: client satisfaction and brand reputation assessments, mystery shopping, instant feedback and focus group/seminars;
- Colleagues: Group and Local Intranet Portal, department online communities; internal clients' perceptions of headquarters services;
- Investors/shareholders quarterly webcasts and conference calls to present results, one-on-one and group meetings, calls, shareholders' meeting;
- Regulators: one-on-one and group meetings, calls;
- Communities: surveys; social media.

We developed several major initiatives aimed at ensuring we put our stakeholders at the centre of our thinking and processes. For example, for our client engagement, our strategic plan uses the Net Promoter Score (NPS) as a key performance indicator. NPS is fundamental to understanding the degree of clients' recommendation and experience of our banking services and this guides our interventions. Starting with key client journeys and touchpoints, the NPS is regularly measured, monitored, analysed and discussed and any written feedback from clients on specific areas is examined.

With regulators, UniCredit Group continued a proactive communication and engagement at national, European and international levels in order to enhance the EU sustainable finance framework, increase its usability and facilitate the transition to a low-carbon economy. We have offered our contributions to the discussions held by EU institutions (EC, EP, EBA and ECB), both on a standalone basis and jointly with banking trade associations, and also contributed to the development of a sustainable financial framework that can meet the needs of all stakeholders.

For investor engagement, we hold dedicated meetings with ESG investors and ESG rating agencies to increase disclosure, increase understanding of our ESG approach and improve the Group's/Local Legal Entity's positioning. The proactive management of ESG rating agencies has been achieved through comprehensive and regular disclosure tracking of the progress of ESG strategies.

Finally, we have also strengthened our engagement with NGOs and society at large. During the year, we continuously engaged with them to receive their feedback to update our sector policies, share our targets on official commitments before disclosure (for example, Net Zero), participate in and contribute to banking surveys and engagement questionnaires, interact on relevant reports and roundtables and involve them in our stakeholder engagement initiatives (in particular the ESG Day).

The materiality analysis remains a fundamental tool for listening to our stakeholders, supporting our business strategy, and helping value creation over the long term. It takes a dynamic and forward-looking view of ESG topics, allowing us to take regular action on emerging risks and relevant issues. This process helps us to identify and address the issues that are most material to stakeholders, including emerging risks. We carry out our materiality analysis by taking into consideration a variety of sources to ensure that we are encompassing all the material topics in the banking industry for our stakeholders. We assess sustainability impacts, risks, and opportunities (IRO) across the environmental, social, and governance matters deemed to be material from a double materiality perspective: impact materiality and financial materiality.



Moreover, starting in 2023, another fundamental tool in our Stakeholder Engagement process is the ESG Day. At its core, the event is an opportunity to stimulate stakeholder dialogue while continuing to raise awareness of climate change, social inequalities, biodiversity and the circular economy, as well as our own role in fostering the necessary change in mindset. Attendees included colleagues, clients and partners, alongside a host of renowned experts who dived into a series of engaging discussions covering the full spectrum of ESG topics. In 2024 was organized a workshop “ESG in Practice” in Prague and Bratislava as an important event giving an opportunity to have stakeholder’s dialogue while discussing attendees included colleagues, clients and partners as well as invited experts who dived into a series of engaging discussions covering the full spectrum of ESG topics.

Acknowledging stakeholders’ expectations and efficiently managing risks and opportunities attached to them is essential when it comes to developing strategies to increase the positive impact and minimise negative impact - key to long-term value creation.

UCB CZSK get feedback about views and interests of each category of affected stakeholders and the stakeholders are also included in participating in possibility of influencing bank’s sustainable strategy:

**Customer Experience & Complaints Clients:** Clients send complaints, suggestions and comments about our services and products through these channels – in person at the branch, via the bank’s website, on the infoline, or directly to the email of the Complaints department.

If we evaluate the complaint or comments as justified, we carry out any necessary corrections, define possible rootcauses and send suggestions for improving processes, applications, products, and communication to product/application owners for further feasibility analysis.

We newly offer to clients a possibility to express their satisfaction with the process of their claim solving.

**Legal, Compliance:** The Legal Department primarily collaborates with internal colleagues and regulators to gather and address stakeholder feedback. This collaboration includes:

1. Engagement with Colleagues:

Legal Department works closely with various internal teams to ensure compliance with legal standards and provides legal perspectives during decision-making processes. Through this interaction, we contribute to shaping the bank’s direction by addressing colleagues’ needs and incorporating their feedback into strategic and operational planning.

2. Interaction with Regulators:

Legal department actively engages with regulatory bodies to ensure that the bank adheres to applicable laws and regulations. This interaction not only ensures compliance but also reflects regulators’ expectations and requirements in the bank’s strategy and operations.

3. Limited Interaction with Other Stakeholders:

While Legal Department’s direct engagement with clients, investors, and communities is minimal, Legal Department supports other departments in legal matters that impact these stakeholder groups. For instance, this department provides legal advice to teams managing investor relations or customer communications to ensure alignment with legal and ethical standards.

**Identity&Communication (“I&C”): Communities:** Concerning communities I&C is focusing mainly on organizations active in the field of education (Junior Achievement, Teach for All), environment protection (Sázíme stromy) and social care (Nadace Markíza).

I&C is in regular contact with senior representatives of these organizations and on a quarterly basis evaluates and adjusts mutual cooperation. Thanks to personal involvement of our employees, I&C is also in direct contact with members or clients of these communities and organizations and collects direct feedback and personal experience, that are crucial for effective and tangible result of our efforts.

Our senior management is informed about the relevant outcomes of our stakeholder involvement activities. In particular during the double materiality assessment, management carefully considered the feedback and insights provided by relevant external stakeholders concerning the IROs. By incorporating diverse viewpoints, op management ensured a more comprehensive understanding of what could be deemed material and relevant for the bank’s long-term strategy and sustainability efforts.

Through the outcome of stakeholder engagement for the double materiality assessment, the Board of Directors gains insights into stakeholders’ views and interests. Specifically, the Board of Directors will be annually informed about the results of the double materiality assessment and final list of material IROs, including the view of the external stakeholders and whether and how their indications are incorporated within the identification and assessments of material IROs.

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

Embedding sustainability in all that we do is one of the five strategic imperatives of UniCredit Unlocked strategy. This plan builds on strong foundations to unlock the potential of UniCredit Group, paving the way for the future of UniCredit Group and also UCB CZSK and of all our stakeholders, while ensuring that we always lead by example and fulfil our purpose of empowering communities to progress.

Our strong corporate governance underpins the integration of ESG factors in our strategy, business and operations. We will constantly work on raising awareness on ESG topics across the organisation and cascading knowledge to drive change.

### Environmental topics:

UniCredit Group and also UCB CZSK's approach to natural capital is based on tangible actions that generate direct and indirect impacts. We are committed to limiting negatives and generating positive impacts to preserve natural capital for the benefit of the communities in which we operate and ourselves. Strategic approach is based on the double materiality concept which considers both an inside-out and an outside-in perspective.

Inside-out perspective - manage the direct and indirect impacts that our operations and lending have on the environment:

Indirect impacts - accompany our clients on their green transition journey by:

- assessing and monitoring our portfolio exposure towards most climate-related sectors;
- identifying and evaluating the impacts on climate;
- adopting a sector policy framework;
- defining the journey towards Net Zero on portfolio emissions.

Direct impacts - reduce our environmental footprint by:

- steering our behaviour towards Net Zero on our own emissions;
- procuring electricity from renewable sources;
- improving energy and space efficiency;
- fostering the efficient use of resources.

Outside-in perspective - prepare to measure the business consequences of climate stress and the associated socio-economic transition and take advantage of emerging opportunities by:

- executing our Group strategy;
- correctly managing climate and environmental risks, in line with the Risk Appetite Framework (RAF) and the ECB climate stress test requirement.

UniCredit Group's strategy incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that UniCredit Group and also UCB CZSK may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as climate change, biodiversity, energy consumption, pollution and waste management.

### Climate Change:

Climate change is one of the biggest challenges that the world faces, impacting every person on the planet through weather events such as extreme heat, forest fires, severe rainfall and flooding.

Acknowledging the growing importance of Climate & Environmental topics and in continuous dialogue with the competent authorities, UniCredit group is progressively and continuously developing the internal modelling capabilities with the aim to properly manage new risk that may arise from climate change.

Impairment provisions recognized in 2024 UCB CZSK identified the impact stemming from both physical and transitional risks and considered this amount as an increase of ECL via post-model-adjustment. Granular implementation to each exposure relevant to such kinds of risk is foreseen for year 2025.

The financial system has an important role in the Net Zero journey, with more than \$80bn in climate finance commitments agreed in COP28. At UCB CZSK, we are committed to playing our part. We are striving to reduce our direct and indirect environmental impacts while supporting Europe's green transition. In this context, UniCredit Group committed to Net Zero in October 2021 when UniCredit Group joined the Net Zero Banking Alliance (NZBA), targeting Net Zero on our own emissions by 2030 and on financed emissions by 2050.

For further information, reference is made to "Targets related to climate change mitigation and adaptation", as well as to "Strategy, business model and value chain".

In addition to UniCredit Group path towards NetZero, UniCredit Group and also UCB CZSK integrated climate risk into risk framework measuring short (1 year, i.e., 2025), medium (2 to 5 years, i.e., 2030) long term (up to 2050) impacts through an annual materiality analysis aimed at assessing the relevance of climate related risk drivers with respect to the various risk families considered and their potential impact for the Group, using scenario Analysis. Furthermore, an analysis of the capital resilience against climate risk drivers is performed within ICAAP, envisaging the full coverage of risk types and the integration of forward-looking elements.

Within the risk management function, the management of C&E risks have become increasingly significant and strategically important and has been undergoing a substantial transformation in recent years, e.g. in the beyond-climate topic a recent progress in the analysis of the nature-related assessment has been achieved, by defining impact on natural capital and dependency from ecosystem services.

UniCredit Group and also UCB CZSK adopts policies and procedures relating to direct and indirect engagement with new or existing counterparties taking into account their strategies to mitigate and reduce environmental risks. Over the last few years, we have introduced sector-specific policies that commit us to stopping financing controversial carbon-intensive activities, such as energy production from thermal coal and the most impactful oil and gas operations.

Alongside safeguarding our portfolios and assets from climate-related risks, we actively engage and support corporate clients in transitioning to a lower-carbon business model, fully exploiting green business opportunities. We aim to help our clients achieve a just transition, ensuring fairness throughout the process. In fact, we are aware and conscious that our positive impacts can affect people's quality of life. UniCredit Group ESG Advisory Team is a multi-disciplinary solutions team focused on enabling clients to create long-term stakeholder value by integrating sustainability into their strategic decisions and assessing the impact of sustainable finance market principles and practices, as well as applicable regulations.

Moreover, UniCredit Group has established well-defined objectives to contain our environmental footprint due to the material negative impacts related to the generation of both direct and indirect emissions, which affect both the environment and people. Objectives include procuring electricity from renewable sources, improving the energy and water efficiency of our premises and data centres, adopting circular economy solutions in resource management, promoting sustainable mobility solutions, and sourcing responsibly.

Concerning **water resources**, UniCredit Group contributes to raising awareness of water consumption and withdrawals: the Bank can lead to more responsible water consumption and withdrawals by its clients, reducing overall water use. It also encourages a deeper understanding of water as a scarce resource, promoting sustainable practices and positively impacting public health.

Regarding **biodiversity**, UniCredit Group signed and is the first Italian Bank to do so, the Finance for Biodiversity Pledge (FfBP) and is member of the permanent working group on Nature in the United Nations Environment Programme Finance Initiative (UNEP FI). Through membership of the FfBP Foundation, UniCredit Group contributed to the publication of the paper "Unlocking the biodiversity-climate nexus". This paper outlines the synergies and trade-offs between climate and nature of a sample of investment/lending solutions that are key to solving the nature and climate crises we face. The paper also presents recommendations on how to deal with the biodiversity and climate nexus. It is written by financial institutions for financial institutions, including banks, insurers, asset managers and asset owners. Within the UNEP FI Biodiversity Working Group, UniCredit Group has also contributed, alongside 34 international banks, to the publication of the Principles for Responsible Banking "Nature Guidance for Banks". This aims to help the banking industry align with the Kunming-Montreal Global Biodiversity Framework (GBF) and address nature and biodiversity loss.

Regarding the **circular economy**, UniCredit Group and also UCB CZSK's negative impact is generated by the value chain and refers to resource inflows and resource use degrading local environments, negatively impacting the quality of life due to issues such as waste accumulation, noise, and exacerbating social and economic inequalities. In addition, considering the possible effect on the environment, the high resource inflow leads to over-extraction of materials (e.g. water, minerals, and fossil fuels, etc.) accelerating the depletion of finite natural resources. For this reason, UniCredit Group has also become a member of the Ellen MacArthur Foundation international charity network in support of our efforts to accelerate the circular economy transition across our countries. The Foundation is committed to creating a global circular economy driven by design to eliminate waste and pollution, circulate products and materials and regenerate nature.

Moreover, in an effort to prevent and mitigate various potential negative environmental impacts, alongside energy efficiency, UniCredit Group has introduced measures to optimise the use of limited natural resources and to foster a circular economy.

We have started monitoring Water Usage Effectiveness (WUE), the ratio between the use of water in data centre systems (e.g. water loops, adiabatic towers, humidification), and the energy consumption of IT equipment. We have also launched several projects aimed at reusing and rethinking our redundant furniture.

Through these actions, UniCredit Group contributes to increasing clients' awareness of their waste generation habits, leading to more sustainable choices.

### **Own workforce:**

Our people are our greatest asset and constitute a fundamental element of our ESG Strategy and business model. They compose the internal and external staff categories, including non-employees (leased workers and contractors).

We empower our people to progress throughout their professional lives by:

- listening to their needs and promoting their rights;
- investing in a skill-based organisation and designing training and development plans;
- promoting diversity, equity, inclusion and welfare offers.

The relationship between our people and our strategy creates a virtuous cycle: positive impacts on our workforce stem from these three pillars of the people strategy, while contributing to the continuous refinement and improvement of the strategy itself. This connection between people and positive impacts experienced also paves the way for new opportunities to be pursued: UniCredit Group has the opportunity to become an employer of choice while improving its employees' productivity, through the promotion of positive impacts on people.

We are creating an engaging and positive work environment to build employee awareness and set the tone for our culture across all our geographies. We are committed to building a workplace of equal opportunities and a positive environment.

Caring for our people is vital for unlocking our fullest potential. By providing the right support and resources, we nourish our collective wellbeing and build a truly positive, inclusive, and collaborative workplace where everyone is empowered to succeed.

To pursue our Diversity, Equity and Inclusion (DE&I) commitment and address our people's needs, we have tailored global and local initiatives available in every country where our Group is present, offering support and the right knowledge equipment.

At UniCredit, Diversity, Equity and Inclusion (DE&I) is a business imperative.

A dedicated DE&I strategy is fully integrated in our ESG framework and business agenda. It aims to ensure a more cohesive approach to developing a positive work environment focused on productivity, personal and professional well-being, and the continuous engagement of our people.

Our solid DE&I governance is empowered by:

- shared workplace policies, principles and best practices;
- a passionate DE&I network across the Group to create synergies and business opportunities.

Maintaining proactive and regular dialogue with our workforce strengthens UniCredit Group's spirit of collaboration and helps us unlock value creation. We have a proud track record of consistent engagement with our people at both national and international levels across the Group, which has enabled us to manage the many market challenges we have faced over the years.

At the heart of our drive to maintain effective and mutually beneficial industrial relations is our unwavering commitment to respecting local laws and the terms and conditions of collective agreements, including employees' rights to exercise freedom of association and collective bargaining. We continually monitor our engagement processes and outcomes Group-wide, sharing best practices to strengthen social dialogue across all Group countries.

Nationally, employees' interests can be represented by trade unions, works councils or other representatives in line with the applicable labour laws and local industrial relations systems. At an international level, employees are represented by the European Works Council (EWC). Since it was first established in 2007, the EWC has ensured that our workforce has the right to information and consultation on trans-national Group topics that could significantly affect employees' interests.

Through the double materiality assessment, UniCredit Group and also UCB CZSK has identified only material positive impacts and opportunities related to its own workforce, without references to specific categories of workers. In addition, no material impacts have arisen from our transition plan (Ref. to the table below "List of material IROs").

For more information on own workforce, reference is made to the paragraph "S1 Own workforce"

### **Workers in the value chain:**

UniCredit Group and also UCB CZSK conducts its operations in accordance with the Universal Declaration of Human Rights: as stated in our Human Rights Commitment, "We are aware that every economic and business activity can potentially generate both positive and negative impacts on human rights". Therefore, we are constantly working to establish a reliable and inclusive approach that enables our Group to spread positive human rights impacts, with respect to both internal workers and workers in our value chain, including our clients' workforce.

To this extent, listening to the full range of our stakeholders is central to how we work. We encourage them to share their views and concerns and work hard to respond quickly and accurately, in order to align their perceptions with our activities and strategy.

We have strengthened our support for human rights in the following key ways:

- Engaging and supporting stakeholders through participation in international working groups and forums;
- Compliance with section 54 of the UK's Modern Slavery Act 2015.

For more information on workers in the value chain, reference is made to the paragraph "S2 Workers in the value chain"

#### **Affected communities and consumers and end users:**

The financial industry plays a vital role in improving our economies and societies. We are willing to contribute to unlocking the potential of people, businesses and communities throughout Europe: UniCredit Group and also UCB CZSK people constantly work together with the shared purpose of empowering communities to progress, central to all our actions.

UniCredit Group and also UCB CZSK is closely tied to their local communities and clients on a two-fold level: on one side, through business activities, we can have an impact on people, acting as drivers of growth to enable individuals, groups and communities to reach their potential; on the other side, understanding the perceptions and concerns of communities and clients is crucial to implement and adapt our business activities to their needs, while reaching new opportunities.

The categories of people mainly impacted by our business mainly refer to communities along our value chain and clients that benefit from our solutions:

- Low-income people;
- People at risk of social and financial exclusion;
- Young and students;
- People with disabilities;
- Microentrepreneurs and start-ups;
- Vulnerable people (e.g. women and the elderly);
- NGOs and social organisations.

The goal is to grow by offering development opportunities to communities, clients and the local area and by building financial and social inclusion through the offering, corporate citizenship and philanthropic initiatives. The Group offer a broad range of customised solutions to enable individuals and businesses to gain ready access to financial products and services. At the same time, the Group is strongly committed to helping people and businesses improve their financial skills, enabling them to make responsible choices.

In December 2021, UniCredit Group signed the Commitment on Financial Inclusion and Health under the Principles for Responsible Banking (PRB), participating in the UNEP FI working group for setting common indicators to measure financial health and financial inclusion.

In this context, UniCredit Group has set new targets for 2025 related to the group of clients UniCredit Group has identified as the most relevant strategic target, namely young people. UCB CZSK is following these UniCredit group commitments.

The Group customised solutions offer is addressed to low-income and vulnerable individuals and families, young people, people with disabilities and microcredit. Moreover, we continue to carry out several financial education and awareness initiatives across our countries, focusing on priority target beneficiaries such as the young, women and vulnerable individuals, while also using new communication channels such as social networks and web platforms.

Regarding the privacy, we are committed to improving approach to data security and cybersecurity, reinforcing capabilities to prevent, detect and respond to increased cyber threats, while focusing on three key areas: strengthening governance and oversight, increasing employees' and customers' risk awareness and enhancing threat identification and management. Through the measures and safeguards implemented, risks related to customers data are mitigated, and we expect data breaches and cybersecurity attacks to be potential negative impacts related to individual cases, rather than systemic impacts.

For more information on local communities and clients, reference is made to the paragraph "S3 Affected communities" and "S4 Consumers and end users".

#### **Business conduct:**

UniCredit Group believes that working every single day towards the delivery of our purpose will give us the financial strength to achieve UniCredit Group ambition to be the bank for Europe's future.

By acting as the engine of social progress, we are building a culture that puts our values at the heart of our decision-making and everything we do.

Profound journey of cultural transformation continues at pace and has been marked by many achievements. UniCredit Group and also UCB CZSK have further demonstrated our commitment by empowering a significant number of our employees to reflect on what our values mean as an identity – and to explore how that translates into improving the way we serve our clients and communities.

Having initiated cultural transformation in 2022, UniCredit Group and also UCB CZSK are now executing our comprehensive plan to bring our values to life and shape our behaviour to enable cultural change.

A specific global policy sets out the UniCredit Group and also UCB CZSK's approach to whistleblowing. The policy governs reports of unacceptable conduct by employees within the group to promote a corporate culture based on ethical behaviour and good corporate governance.

The policy is intended to:

- create a corporate environment where employees feel free to report any unacceptable conduct;
- define adequate communication channels for the receipt, analysis and use of the reports.

The management of this process is designed to ensure the greatest possible protection and confidentiality of the identity of the whistleblower and the accused individual, and to prevent any possible retaliatory or discriminatory behaviour in response to the report.

UniCredit Group and also UCB CZSK suppliers are required to comply with the standards of the International Labour Organization and our Environmental Policy.

UniCredit Group and also UCB CZSK have a zero-tolerance approach towards acts of corruption. The UniCredit Group's approach to anti-bribery and corruption is laid out in the dedicated Global Rules that is implemented within UCB CZSK internal policies, which set minimum standards of anti-corruption compliance throughout the Group. Each Legal Entity of UniCredit Group is responsible for the development and implementation of an effective Local Anti-Corruption Programme.

The UniCredit Group Code of Conduct (CoC) that UCB CZSK is following, reviewed in 2022, contains a specific section dedicated to bribery and corruption risks, and provides behaviour rules and tips on how to manage and prevent such risks.

**Material impacts, risks and opportunities (IROs) resulting from materiality assessment:**

Regarding the impacts that resulted material (See Table below), UCB CZSK considered its own operations and upstream and downstream value chain. In the identification of lists of IROs, UCB CZSK has also outlined the typical distribution channels it uses to deliver loans and financing, including direct interactions through its legal entities network and digital banking services, which ensure that UCB CZSK could effectively meet the financing demands of different businesses, offering a consistent and diversified service experience.

The Double Materiality Assessment was performed in 2024 according to the new framework set up by the European Standards ESRS.

## List of material IROs

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
E1 Climate Change	Climate change mitigation (own operations/value chain) Climate change adaptation (own operations/value chain) Energy (own operations)	N/A	Fostering awareness and commitments related to climate change and accelerating the green transition through the support towards energy efficiency initiatives and renewable sources financial projects across counterparties for the next years.	IMPACT	Actual	Positive	Value chain	Across	Medium-term
			Generation of direct and indirect energy GHG emissions (Scope 1 and 2).	IMPACT	Actual	Negative	Own operations		Short-term
			Generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the downstream value chain (Scope 3 - Only 15 category).	IMPACT	Actual	Negative	Value chain	Downstream (clients)	Short-term
			Generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the upstream and downstream value chain (Scope 3 - All categories except financed).	IMPACT	Actual	Negative	Both	Across	Short-term
			Investments in the implementation of green/environmental projects	OPPORTUNITY			Both	Downstream (Clients)	Medium-term
			Creation of new products and services to support clients in their transition journey towards their decarbonization targets	OPPORTUNITY			Both	Downstream (Clients)	Medium-term
			Invest in/finance green tech (start-ups) and also access new markets (e.g., carbon emissions trading)	OPPORTUNITY			Both	Across	Medium-term
			Physical Risk Credit risk: impact on credit risk portfolio due to deterioration of the counterparty's creditworthiness due to damage, caused by acute and chronic events, to the counterparty's plants and production sites and decrease in the recoverable amount/market values of collateral due to damage, caused by acute and chronic events	RISK			Own operations		Medium-term
E3 Water and marine resources	Water	Water consumption Water withdrawals	Fostering awareness and commitments related to water consumption, withdrawal by UniCredit clients.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
E4 Biodiversity and ecosystems	Direct impact drivers of biodiversity loss Impacts on the extent and condition of ecosystems	Climate change Land-use change, fresh water-use change and sea-use change Example: Land degradation	Creation and promotion of innovative financial products/services focused on green and sustainable investments, thereby contributing to the protection of natural capital, biodiversity and conservation of land use	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
E5 Resource use and circular economy	Resources inflows, including resource use Resources outflows related to products and services Waste	N/A	Contribution to high inflow and use of resources, and to high waste by sectors such as construction, power generation, manufacture, and waste-intensive sectors in which UniCredit clients operate.	IMPACT	Actual	Negative	Value chain	Downstream (clients)	Short-term
			Fostering awareness and commitments related to waste production and waste management from UniCredit clients.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term



ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
S1 Own workforce	Working conditions	Work-life balance	Promotion of employee well-being through the implementation of dedicated well-being activities and benefits within a healthy and stimulating working environment.	IMPACT	Actual	Positive	Own operations		Medium-term
			Becoming an employer of choice with widespread diversity, a culture of inclusion and concrete work-life balance solutions which encompass a new, flexible approach	OPPORTUNITY			Own operations		Short-term
	Equal treatment and opportunities for all	Employment and inclusion of persons with disabilities Measures against violence and harassment in the workplace Gender equality and equal pay for work of equal value Diversity							Short-term
	Working conditions	Secure employment Adequate wages Social dialogue Freedom of association, the existence of work councils and the information, consultation and participation rights of workers Collective bargaining, including rate of workers covered by collective agreement	Positive contribution to the objectives of ensuring equal opportunities, secure employment, generation of quality employment, the payment of adequate wages also through the promotion of social dialogue, collective bargaining agreements and workers' associations.	IMPACT	Actual	Positive	Own operations		Medium-term
		Gender equality and equal pay for work of equal value							Medium-term
	Equal treatment and opportunities for all	Training and skills development	Improved workers' skills through training and professional development activities, general and technical programmes, also linked to personalised growth and evaluation objectives (e.g. career development plans).	IMPACT	Actual	Positive	Own operations		Medium-term
			Improvement of employees' productivity through the implementation of efficient training programs, anticipating future trends	OPPORTUNITY			Own operations		Short-term
			Ensure a guarantee transparent performance review systems and professional growth plans for the Group's entire population, allowing all employees to work to the best of their abilities	OPPORTUNITY			Own operations		Short-term
		Employment and inclusion of persons with disabilities	Contribution to the development of young talents through partnerships with national and international Universities, collaborations with communities in the IT and tech sector, often with a focus on women and creation of networks on several diversity traits.	IMPACT	Actual	Positive	Own operations		Medium-term
		Diversity	Respect for diversity and promotion of an inclusive corporate climate through anti-discrimination activities and corporate initiatives.	IMPACT	Actual	Positive	Own operations		Medium-term
									Medium-term
		Measures against violence and harassment in the workplace		IMPACT	Actual	Positive	Own operations		Medium-term
	Other work-related rights	Privacy	Increase in digital skills, knowledge and opportunities of employees.	IMPACT	Actual	Positive	Own operations		Medium-term

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
S2 Workers in the value chain	Other work-related rights	Child labour Forced labour	Awareness and dissemination of the culture of ethics and human rights (child and forced labour) by business partners and other stakeholders increases responsibility and fair practices across value chains.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
S3 Affected communities	Communities' economic, social and cultural rights	Adequate housing Adequate food	Contributions to various social causes with positive socioeconomic impacts such as education, health, and community development programmes.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
		Security-related impacts	Improving access to credit and disseminating financial culture in the communities, with a focus on supporting younger and more vulnerable and/or low-income groups through dedicated products and services in order to enhance economic development and investor confidence.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
		Adequate housing Adequate food Security-related impacts	Strategic community partnerships, collaborations with local organisations, industry and professionals' associations and community groups to create sustainable and impactful programmes.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
			Improvement of relationships / consolidation of positioning within territories and communities of reference through the promotion of initiatives of financial inclusion targeting vulnerable groups.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
			Establish and promote employee volunteering programmes that contribute to the well-being and development of local communities and support associations and projects in the area.	OPPORTUNITY			Value chain	Downstream (Clients)	Short-term
	Communities' civil and political rights	Freedom of expression	Increase in market share through the expansion of product offerings with positive social impact, such as those related to the third sector.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
			Opportunities for the Bank to gain an improved image among competitors and attract socially conscious investors, if it is able to anticipate and react to political and societal changes.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	Creation of a long-term relationship with customers through a strong and safe ICT systems	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
		Digitalisation and Innovation	The adoption and integration of digital technologies and innovative practices to enhance efficiency, productivity, and competitiveness.	OPPORTUNITY			Own operations		Medium-term
		Privacy	Breach and loss of customer data and poor cybersecurity management.	IMPACT	Potential	Negative	Value chain	Downstream (Clients)	Medium-term
		Privacy	Operational risk: Risk of operating losses due to unauthorized access to customer data (data Breach) with the purpose of obtaining a personal advantage and due to cyber attacks	RISK			Own operations		
		Privacy	Reputational risk: failure to meet the consumers and end-user needs and/or to guarantee the customers' data integrity that may lead to negative impacts	RISK			Own operations		
		Privacy Freedom of expression Access to (quality) information	Ensure the UniCredit transformation of the distribution and production model, making it more sustainable through greater digitalisation, the creation of new technologies, the access to information, the adoption of cloud solutions, the use of AI.	IMPACT	Potential	Positive	Value chain	Downstream (clients)	Medium-term
		Privacy Freedom of expression	Expansion of market shares and improvement of retention thanks to the implementation of solutions, products and digital / innovative services	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
		Privacy Access to (quality) information	Enhance client loyalty and retention through the optimization of corporate assets in terms of privacy and data security and quality information	OPPORTUNITY			Value chain	Downstream (Clients)	Short-term
		Freedom of expression Access to (quality) information	Informed decisions to customers through transparent, neutral and fair advice, also providing the possibility to express their feedbacks.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
	Social inclusion of consumers and/or end-users	Responsible marketing practices	Enhancement of relationships with clients and shareholders through clear and transparent communication	OPPORTUNITY	Actual		Value chain	Downstream (clients)	Short-term
		Non-discrimination Access to products and services	Increased and improved customer satisfaction and end-users experience by meeting their expectations.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
G1 Business conduct	Corporate culture	N/A	Contribution to the creation of an environment of fair competition, encouraging businesses to compete based on innovation and efficiency rather than aggressive tax practices and reducing national tax evasion.	IMPACT	Actual	Positive	Value chain	Upstream	Medium-term
			Maximum generation of value and its distribution to shareholders/stakeholders	IMPACT	Actual	Positive	Both	Across	Medium-term
	Protection of whistle-blowers	N/A	Awareness and dissemination of the culture of ethics, by management, employees, business partners and other stakeholders in own operations.	IMPACT	Actual	Positive	Own operations		Medium-term
	Management of relationships with suppliers including payment practices	N/A	Ensure solid relationships with its suppliers and respect of agreed terms	IMPACT	Actual	Positive	Value chain	Upstream	Medium-term
			Improvement in the quality of products and services purchased through a more sustainable supply chain and certified products (incorporating minimum environmental criteria)	OPPORTUNITY	Actual		Both	Upstream	Medium-term
	Corruption and bribery	Prevention and detection including training Incidents	Prevent the possible events of corruption and/or bribery through the training activities involving employees, top management and other relevant stakeholder	IMPACT	Actual	Positive	Value chain	Upstream	
			Operational Risk: The risk of money laundering, sanctions violations, bribery and corruption, and KYC failure	RISK			Both	Across	Medium-term
			Enhancement of reputation through investing in the development of innovative tools to manage, monitor and prevent corruption and bribery	OPPORTUNITY			Both	Both	Medium-term

## Impact, risk and opportunity management

### IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

The process to identify impacts, risks and opportunities was based on a top-down approach: UniCredit Group identified a list of material IROs which has been shared with Legal Entities, and compared to their list, in order to guarantee coherence along the entire UniCredit Group. The process was carried out following a logic that prioritized UniCredit Group's primary activity, namely the banking sector. While all entities included in the Sustainability Statement perimeter were included in the analysis, the focus has remained on the fact that the core business is banking. Following description of the processes to identify and assess material impacts, risks and opportunities will describe the overall approach from the UniCredit Group followed by local specifics (if applicable) of the local consolidation perimeter – the Group of UniCredit Czech Republic and Slovakia ("the Group" or "UCB CZSK").

The UniCredit Group's double materiality assessment started with an initial phase of understanding the context in which UniCredit Group operates. In particular, UniCredit Group carried out both internal and external analyses, identifying dependencies, resources, geographic presence, and mapping affected stakeholders. In this phase, external stakeholders were actively engaged through the various channels and engagement methods (questionnaires, workshops, forums, interviews, surveys etc.), and their perceptions view considered throughout the process.

In parallel with the context analysis, UniCredit Group screened the list of matters on ESRS 1 - AR 16, reconciling topics, sub-topics and sub-sub-topics with the outcomes emerging from the first phase. Then, each impact of the long-list was associated with the location of occurrence (own operations and/or value chain), the time-horizon (short-, medium-, or long-term), the strategic actors involved (e.g., employees, customers, shareholders etc.).

In assessing impacts, both actual and potential, UniCredit Group considered gross impacts (i.e., before any mitigating actions); this is done to provide users of the sustainability information with information that allows for the distinction between the gross impact and the management of the impacts (i.e., policies, actions and targets). In addition, impacts were assessed without taking into account other impacts; hence, positive impacts on the environment and people cannot be netted against negative impacts.

When evaluating negative impacts, UniCredit Group considered its embedded approach on due diligence and its outcomes. For more information on due diligence, reference is made to GOV-4 Statement on due diligence.

The process took into account the most relevant stakeholders throughout the entire value chain, carefully considering factors such as UniCredit Group exposure towards the stakeholder and the specific industry in which they operate. By doing so, it has been possible to gain a comprehensive understanding of the sectors that are most exposed to potential risks, ensuring that all critical elements are thoroughly evaluated in order to provide a clear picture of the vulnerabilities present across different industries.

As indicated above, the process to identify impacts has included the association of each impact to its location of occurrence: UniCredit Group's operations or along its value chain (upstream and/or upstream). In particular, UniCredit Group's impacts can affect its own activities, its upstream value chain, its downstream value chain or both its activities and value chain. Also, relevant UniCredit Group's actors have been associated to each segment of the entire value chain: employees are the main actors of IROs correlated to UniCredit Group's own operations; suppliers and business partners are the main actors of IROs correlated to the upstream value chain; clients and financial assets are the main actors of IROs correlated to downstream value chain.

This aspect has been submitted to both internal and external stakeholders directly involved in the identification and assessment of the IROs.

Internal stakeholders involved included:

- ESG and UniCredit Group Financial & Regulatory Reporting Management, in providing on the ground perspective into the determination of the materiality;
- UniCredit Group ESG, Group Financial & Regulatory Reporting and other relevant internal functions (i.e., Risk Management, Compliance, etc.), in identifying and assessing the impacts, risks and opportunities;
- Senior management (GEC Members): responsible for final sign-off and oversight of materiality assessment;
- Board of Directors: responsible for the final approval of the double materiality assessment.

External stakeholders were engaged to provide feedback on the impacts, risks and opportunities, and to corroborate the organization's determination of materiality. In particular, UniCredit Group identifies two different categories: affected stakeholders, and users.

Affected stakeholders are individuals or groups whose interests are affected or could be affected, positively or negatively, by UniCredit Group's activities and its direct and indirect business relationships across its value chain; while users are primary users of general-purpose financial reporting (existing and potential investors, lenders and other creditors, including asset managers, credit institutions, etc.), and other users of sustainability

statements, including the client's business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics experts, etc.

Affected stakeholders include employees, clients, communities, consumers, suppliers and nature) and specific users; while users include investors, academic experts, NGOs, ESG raters, regulators, industry associations, media, and Government Agencies.

A representative sample of the aforementioned stakeholders were actively involved in the process of identifying the IROs. Among the affected stakeholders, employees were engaged through interviews, while clients were engaged through both interviews and specific surveys. Among the users, investors and NGOs were engaged through interviews and specific surveys; academic experts were engaged through specific surveys. Regulators and ESG raters were engaged through an ESG desktop analysis.

The process for identifying impacts is centred on a numerical assessment of two dimensions: "severity" and "likelihood". For positive impacts, the severity is evaluated on the scale and the scope of the impact. The scale refers to the seriousness of the impact on people or the environment; the scope measures the reach or the extent of the impact. For negative impacts, in addition to scale and scope, a third criterion is added in assessing the severity: the irremediable character, which assesses how difficult or impossible it is to reverse the impact. In line with the ESRS framework, severity is viewed through a holistic lens, considering all three criteria altogether. If an impact is intense (high scale), affects a broad population (large scope), and is difficult to reverse (high irremediability), it would be considered highly severe. Conversely, if an impact is less intense, localised and remediable, it would be rated as less severe.

The second dimension evaluated along with severity is likelihood, which refers to the probability or chance that a particular impact will occur. Each impact has been numerically assessed on a score from 1 to 4, through the product of the two dimensions of severity and likelihood, evaluated on a qualitative scale. In addition, in case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood through a multiplier which will achieve a higher score and a higher relevance in the final list.

Considering the results obtained from management assessment, UniCredit Group has considered a threshold in order to define the materiality of each impact. In particular, the selected threshold ensures that only the most relevant impacts are addressed, focusing efforts on areas with substantial effects on people and the environment. Furthermore, this threshold of the impact materiality is consistent with UniCredit Group's strategic objectives: it ensures that the identified material impacts are related to the topics representing the Bank's mission and values, enhancing coherence between ESG targets and overall business strategy. Also, setting this threshold ensures UniCredit Group concentrates its resources and investments on addressing the most critical issues that emerge from double materiality analysis, reflecting impacts resulting as key elements of the Group's strategy, critical solutions and projects to be put in place.

Finally, impact scores have been reconducted at the sustainability matter level using the maximum score of impacts.

This numerical assessment process has helped UniCredit Group to prioritise and address the most significant sustainability impacts in its reporting and management practices, in line with the ESRS standards.

The process employed by UniCredit Group to identify risks and opportunities has followed the same steps of impacts' identification described above.

Following the identification of impacts, risks and opportunities, impacts and opportunities have been analysed and confirmed by UniCredit Group's Top Management (which mainly includes GEC Members); while risks have been reviewed by Group Risk Management in order to guarantee applicability and coherence with UniCredit Group's reality and its Risk Inventory.

Parallel to the impact materiality process, the process for assessing risks and opportunities is centred on a numerical evaluation of two dimensions: magnitude and likelihood. However, UniCredit Group's financial materiality has followed a dual assessment process, as risks and opportunities have been valued and prioritised in a different way.

Firstly, risks have been assessed by Group Risk Management; while opportunities have been assessed by UniCredit Group's Top Management. In parallel with UniCredit Group's internal stakeholders, external stakeholders (investors, academics, clients - corporate and private, and NGOs) have provided their views and perspectives on risks and opportunities through a questionnaire.

In the assessment of financial materiality, UniCredit Group has evaluated the magnitude of the risks and opportunities, and their likelihood, considering that both risks and opportunities could have financial effects on the Bank's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium and long-term and may be applicable to both own operations and/or value chain. When a quantification of the financial effects is available, the financial materiality considers the time horizon in which this quantification is the highest.

During the identification phase, UniCredit Group considered the dependencies that its impacts have on resources and business relationships. In particular, UniCredit Group identified whether a specific impact is strictly correlated with natural resources (e.g., water or air) or with relationships with relevant actors (e.g., employees, customers or other counterparties). Such analysis has constituted the starting point for the identification of

connections of negative and positive impacts with risks and opportunities. On one hand, through the examination of the consequences of negative impacts, UniCredit Group was able to anticipate risks that might emerge, allowing for more informed decision-making and preventive measures. On the other hand, by examining the positive impacts, UniCredit Group was able to uncover new possibilities and opportunities for growth.

The Group has assessed the financial materiality of risks and opportunities adopting a numerical assessment (a score from 1 to 4) to evaluate the magnitude and the likelihood of each risk and opportunity.

- Regarding risks: The risks assessment is generally based on empirical evidence. Risk Management have attributed a qualitative or, when available, a quantitative parameter based on Group Risk framework and also considering the portfolio analysis (market/credit risk related to environment issues) or historical loss data (operational risk related to ESG issues). Specifically, Risk Management ("RM") has used specific metrics and sources to conduct the risk assessment.
- Related to opportunities: The opportunities have been assessed on a qualitative parameter (which could have a brand reputational and/or competitiveness effect) and a quantitative parameter related to the financial effect of the net profit that may produce.

A numerical assessment (on a score from "1" to "4") of the likelihood for the risks and opportunities to occur, linked to the sustainability topic.

In addition, considering the results obtained from management assessment, a threshold has been considered, in order to define the materiality of each risk and opportunity. This threshold allows for a balance between sensitivity (ability to detect relevant low values) and specificity (avoiding including values too close to zero that could be considered not relevant).

For risks, the threshold defining the materiality of each risk driver has been in order to properly consider and prioritize:

- The unlikely risks which could have a very high magnitude in terms of financial effects;
- The already existing risks, even if their magnitude is low;
- The risks which are likely and which could imply low-to-medium financial effects.

For opportunities, the threshold has been selected consistently with the general view of stakeholders and with the thresholds already applied in ICAAP exercise, used to determine materiality.

Sustainability-related risks have been prioritized relative to other types of risks considering their relevance for all the stakeholders participating to the internal risk identification process and the results of the risks financial materiality assessment. As such, the process to identify, assess and manage sustainability-related risks has been fully embedded into overall risk management process and used to evaluate overall risk profile and risk management processes. The integration considers the Risk Appetite, the ICAAP, the credit and market risk strategies, the impact on liquidity, credit risk models and provisioning and, on non-financial risk side, controversial sectors policies, business continuity assessments, reputational assessments, as well as future litigation liabilities evaluations.

As a first step, the list of all the sustainability-related risks has been defined, considering all the topics listed in the AR 16 of ESRS 1, as well as other input to support sustainability topic identification (including potential entity-specific topics), such as existing reporting or assessments already in place (e.g., Risk Inventory and Climate Scenario Analysis, from ICAAP). The final list of risk drivers was defined considering how these may materialize on the traditional banking risk categories (i.e. Credit, Market, Operational, etc.) on the short, medium and long-term horizons.

For Climate change, leveraging the currently in place quantitative framework developed to assess it for ICAAP purposes, the evaluation has been performed considering the Economic Capital (EC) and Conditional Loss (CL), where available, derived from the Climate Scenario Analyses performed in that context. Moreover, also the Expected Credit Loss (ECL, IFRS 9) was considered, already implemented starting from the second quarter 2024 as far as the incorporation of forward-looking impacts of physical risk for secured exposure in Loss Given Default (LGD). Climate Change has been evaluated as a material topic from risk perspective (not material from a numerical standpoint as the result was below the threshold, but managerially upgraded as material, in line with strong external attention and expectations, and the dedicated attention by the Group) and, as such, it is indeed integrated into overall risk management process, being part of processes like ICAAP or RAF, and the relevant internal regulations reflect the continuously evolving framework.

The assessment of risks related to Environmental topics other than Climate Change (E2-E5) is performed qualitatively, still starting from quantitative evidence to better substantiate the assessment. The risk drivers affecting Credit/Market risk are qualitatively assessed in terms of magnitude considering, as a quantitative reference, the Q4 2024 exposure towards counterparties very highly impacting the nature, included in relative terms over the overall amount of loans to non-financial corporates and the overall investment bond portfolios.

The risk drivers affecting Operational risk of being held liable or responsible for financing counterparties not complying with environmental laws and regulations related to natural matters are assessed as not material considering the absence of historical operational losses in the latest 10 years.

The risk drivers affecting Reputational risk due to counterparties financed by or invested in the Group, not complying with environmental laws and regulations related to natural matters, are qualitatively assessed as not material considering the low materiality of the Reputational Risk Economic Capital already covering all ESG risks as quantitative evidence.

Regarding Social risks, the assessment is performed qualitatively and results are non-material, by assessing the magnitude of the risk drivers affecting Reputational risk and the risk drivers affecting Operational risk deriving from potential legal proceedings. The low materiality of the Reputational Risk Economic Capital already covering all ESG risks is considered as quantitative evidence for the qualitative assessment of the former, while the occurred



negligible historical losses over the latest 10 years are considered as quantitative evidence for the qualitative assessment of the latter. Consumers & End-Users topics, limited to Cybersecurity topics, resulted as non-material from a numerical standpoint. However, these topics were managerially upgraded as material, in line with strong external attention and expectations, and the dedicated attention by the Group.

Regarding Governance topics, the risk drivers affecting Operational risk deriving from "money laundering, sanctions violations, bribery and corruption, and KYC failure" are assessed as material considering that a significant share of Operational risk Economic Capital is already charged for the risk of "Antitrust", "Bank Regulators", "Fiscal Breach", "Insider Trading", "Market Manipulation", "Money Laundering" and "Violation of anti-money laundering obligations". Indeed, these material risk drivers are already integrated into overall risk management process and managed through the internal regulatory framework with ad-hoc control processes.

The integration of opportunities into the management process is a key focus for UniCredit Group, particularly as these opportunities have been identified as material during the double materiality assessment. Specifically, the material opportunities relate to the innovation of products and services within the ESG domain, reflecting UniCredit Group's commitment to sustainability-driven growth.

These opportunities are strategically embedded into UniCredit Group's portfolio of strategic offerings, particularly in the area of financing solutions. By aligning material ESG opportunities with the development and delivery of innovative financial products and services, the company ensures that its strategic offerings not only address emerging market demands but also support broader environmental and social goals. This approach underscores UniCredit Group's dedication to leveraging ESG innovation as a driver of long-term value creation for both stakeholders and society at large.

In the decision-making process, UniCredit Group management has followed a structured and control-focused approach to ensure the robustness of the analysis and its alignment with the Standards. This has involved verifying the consistency between the topics identified during the contextual analysis and the list of potentially relevant IROs for the Group. The completeness of the list was also scrutinized, ensuring that all relevant stakeholders along the value chain were properly included. Special attention was given to the Double Materiality Assessment phase, where the completeness, accuracy, and consistency of the IROs were cross-checked. Furthermore, the process involved reviewing the accuracy and coherence of the disclosures in the Sustainability Statement, confirming their compliance with the ESRS 2 requirements and the topical standards concerning material sustainability matters.

Finally, the list of material IROs was approved by the UCB CZSK Board of Directors (Management board) in December 2024.

UniCredit Group has used different input parameters for the identification, assessment, and management phases of material IROs.

Related to IROs identification, UniCredit Group took into consideration (for internal analysis) various elements, such as the Bank's business strategy, activities, market trends and client solutions. The analysis was based on Annual and Statutory Reports, UniCredit Group's website, previous Integrated Reports, and the Bank's ESG policies and other documents such as Group Inventory Risk. It also considered ESG ratings and indices (e.g. FTSE4Good, Dow Jones Sustainability Indices, etc.), European regulations and media opinions.

External analysis was based on various dimensions: Datamaran, which monitors over 100 ESG topics by analysing financial and sustainability reports of peers, mandatory and voluntary regulations for the financial sector, and social media news on ESG issues; a benchmark analysis has been conducted by reviewing annual and sustainability reports of peer banks; frameworks and reports (the Principles for Responsible Banking, the World Economic Forum's Global Risks Report 2024, the S&P Yearbook 2023, the UNEP FI Impact Radar, and the OECD Guidelines for Multinational Enterprises).

In addition to internal and external analysis, stakeholders were actively engaged through the various channels and engagement methods that UniCredit Group employs, ensuring the consideration of their perceptions throughout the process.

During the IROs assessment phase, UniCredit Group used ICAAP framework, management control, strategic planning, business model, and the available budget to ensure a comprehensive evaluation.

In UCB CZSK the internal analysis focused on review and validation of the UniCredit Group assessment, addressing with all relevant internal stakeholders.

For the external analysis UCB CZSK leveraged on the UniCredit Group shared outputs and addressed selected relevant external stakeholders, ensuring that their views were considered throughout the process.

The process conducted in 2024 builds on last year's analysis carried out at UniCredit Group level and marks the first year of the CSRD-aligned double materiality process that is more complex and detailed, especially in relation to financial materiality following ESRS standards requirements.

### Climate Change:

UniCredit Group and also UCB CZSK acknowledge that its activities and business generate greenhouse gas (GHG) emissions, both directly through its own energy consumption (Scope 1 and 2) and indirectly across its upstream and downstream activities (Scope 3). However, UniCredit Group and also UCB CZSK is also actively contributing to the green transition by fostering awareness and commitments related to climate change. Through financial support for energy efficiency initiatives and renewable energy projects, UniCredit Group and also UCB CZSK aims to mitigate its environmental impact and drive sustainable progress in the years to come. For instance, building on positive impacts, UniCredit Group and also UCB CZSK has identified key opportunities to further support the green transition. These include investing in and financing green and environmental projects, developing new products and services to help clients achieve their decarbonization targets, and supporting green technology start-ups. Additionally, UniCredit Group and also UCB CZSK sees potential in expanding into new markets, such as carbon emissions trading, reinforcing its commitment to sustainable innovation and environmental responsibility.

Climate change has gained increasing importance in recent years, and this is reflected in global frameworks such as the Paris Agreement and the UN's 2030 Agenda for Sustainable Development, which UniCredit Group and also UCB CZSK have always supported. Specifically, the process to identify and assess impacts, risks and opportunities related to climate change and GHG emissions has been based on recognising that climate change has consistently been one of the most significant issues for UniCredit, both internally and in terms of financing. In fact, as highlighted in previous years reporting, UniCredit constantly monitors its own emissions and financed counterparties', which represent actual impacts that the Bank has on the environment. In parallel, UniCredit fosters climate-related awareness across counterparties and its commitment is concretized through the support towards energy efficiency initiatives and renewables sources financial projects.

The table below provides an overview of each identified climate-related risk, its potential impacts, the corresponding time horizons (short, medium and long-term) and the actions undertaken to monitor and mitigate these risks.

POTENTIAL CLIMATE-RELATED RISKS	TIME HORIZON	MAIN POTENTIAL IMPACTS	SPECIFIC ACTIONS	OVERARCHING ACTIONS
<b>Transition risks</b> Changes in or introduction of public policies and/or environmental regulations	Short and medium/long-term	Reduction of business for corporate clients with potential drawbacks on creditworthiness/solvency  Financial implications arising from environmental/ESG regulations and GHG emission limits and/or taxes applied to clients operating in specific economic sectors  Reduction of Group profits deriving from concentration on sectors more sensitive to climate-related risks	Inclusion of ESG risks considering both counterparty scoring (including the use of an internally developed questionnaire) and energy performance certificates (EPC) when assessing credit applications  Enhancement of Market and Liquidity risk framework to incorporate the assessment, monitoring and control of ESG risks  Integration of industry steering signals within the Credit Risk Strategies framework, based on relevant Climate & Environmental (C&E) factors	Definition of data governance processes and related IT investments to integrate ESG risks into the risk management framework  Participation in international working groups and commitments related to climate, such as the Net Zero Banking Alliance, stakeholder engagement initiatives and active collaboration with policy makers  Risk identification process and materiality assessment, including stress tests, to evaluate the significance of climate-related risks in the short, medium and long-term horizons
<b>Transition risks</b> Technological changes	Short and medium/long-term	Increase in costs for corporate clients with potential drawbacks on creditworthiness/solvency		
<b>Transition risks</b> Changes in customer/consumer preferences	Short and medium/long-term	Reduction of business for corporate clients with potential drawbacks on creditworthiness/solvency  Potential changes to the offering of products and services to clients		Inclusion of specific KPIs related to transition and physical risks within the UniCredit Group Risk Appetite Framework. The risk appetite is then cascaded to more granular levels via risk strategies and policies
<b>Transition risks</b> Changes in customer or community perceptions	Short and medium/long-term	Reputational impacts or negative perceptions from the community or Stakeholders due to inadequate management of climate-related risks	Environmental sector policies and their subsequent implementation  Reputational Risk assessment to evaluate the positioning of clients and specific projects in relation to climate-related topics	Promoting a sustainable culture within the organisation by developing ESG training courses and workshops

POTENTIAL CLIMATE-RELATED RISKS	TIME HORIZON	MAIN POTENTIAL IMPACTS	SPECIFIC ACTIONS	OVERARCHING ACTIONS
<p><b>Physical risks</b></p> <p><b>Acute</b> Extreme weather events, such as floods, droughts, heavy rainfalls, heatwaves, fires and hail</p> <p><b>Chronic</b> Chronic weather events, such as variations in average temperatures and sea level rise</p>	Short and medium/long-term	<p>Financial implications resulting from corporate /retail clients being damaged by extreme weather events, potentially impacting their creditworthiness/solvency</p> <p>Potential damage to the Group's infrastructure and the potential disruption of activities</p> <p>Increase in energy supply costs due to higher heat/electricity demand</p> <p>Potential fires, driven by rising temperatures, affecting areas in proximity to the Group's buildings</p> <p>Potential impact of sea level rise on buildings located near the sea</p> <p>Reduced productivity due to higher temperatures</p>	<p>Inclusion of ESG risks considering counterparty scoring</p> <p>Monitoring of physical risks both on counterparties within portfolio and individual collaterals</p>	<p>Definition of data governance processes and related IT investments to integrate ESG risk into the risk management framework</p> <p>Participation in international working groups and commitments related to climate, such as the Net Zero Banking Alliance, stakeholder engagement initiatives and active collaboration with policymakers</p> <p>Risk identification process and materiality assessment, including stress tests, to evaluate the significance of climate-related risks in the short, medium and long-term horizons</p> <p>Inclusion of specific KPIs related to transition and physical risks within the UniCredit Group Risk Appetite framework. The risk appetite is then cascaded to more granular levels via risk strategies and policies</p> <p>Promoting a sustainable culture within the organisation by developing ESG training courses and workshops</p>

POTENTIAL CLIMATE-RELATED RISKS	TIME HORIZON	MAIN POTENTIAL IMPACTS	SPECIFIC ACTIONS	OVERARCHING ACTIONS
				Signing (2022) of the Finance for Biodiversity Pledge (FfB) and participation as member to the working table on Biodiversity of the UNEP FI (United Nations Environment Programme Finance Initiative)

### Climate Risk Management

The Group recognises Climate and Environmental Risk factors as crucial elements in safeguarding its clients' portfolios and assets from climate-related risks. To achieve this goal, the Group is integrating climate and environmental factors into its risk management processes and procedures. Climate Risk management encompasses the identification, measurement, and monitoring of these risks as well as the implementation of mitigation measures. The Group actively engages and supports its corporate clients in transitioning to a lower carbon business model, fully exploiting green business opportunities. Furthermore, the Group aims to assist its clients in achieving a just transition, ensuring fairness throughout the process.

#### Risk Identification

As reported in section "Internal Capital Adequacy Assessment Process (ICAAP) and Risk Appetite", the Group's first step is the identification and mapping of all the risks embedded in the Group and in the relevant legal entities, with particular focus on the risks not explicitly covered by the Pillar I framework.

This process, defined as the risk identification process, is a comprehensive framework to proactively identify all potential risks the Group may encounter and is performed on an annual basis. The primary outcome of this activity is the Risk inventory, which comprises a comprehensive list of the quantitative and qualitative risks to which the Group is or may be exposed. The risk identification process enables the Group to assess which risks are, or are likely to be, material considering their exposures. Material risks are determined annually using a quantitative approach that involves assessing the risk level against the materiality threshold.

In line with the European Banking Authority's (EBA) and the European Central Bank's (ECB) expectations, the Group's risk identification process covers ESG risks dimensions considering that these could positively or negatively affect the risk types already incorporated in the Group risk management framework.

Environmental, Social & Governance (ESG) risks pertain to any adverse financial consequences that may arise for the Group due to the existing or prospective impacts of ESG factors on its counterparties or invested assets:

- Climate and Environmental (C&E) factors are related to the quality and functioning of the natural environment and its systems and include factors such as climate change, biodiversity, energy consumption, water, pollution, and waste management.
- Social and Governance factors, for which the Group assigned an impact on reputational risk, revolve around the rights, well-being and interests of individuals and communities and include governance arrangements for the environmental and social factors in the policies and procedures of counterparties.

In coherence with the "Recommendations of the Task Force on Climate-related Financial Disclosures" (2017), climate related risks can be divided into two major categories:

- risks related to the transition to a lower-carbon economy and
- risks related to the physical impacts of climate change, described in detail below.

Transition risks refer to the risks arising from the transition to a lower-carbon economy, which may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, pace, and focus of these changes, transition risks can pose different levels of financial and reputational risk for organisations:

- policy and legal risks stemming from continuously evolving policy actions, attempting to either constrain actions that contribute to the adverse effects of climate change or seeking to promote adaptation to climate change, and from litigation or legal risks;

- technology risk stemming from technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system and that can have a significant impact on organisations to the extent that new technology replaces old systems and disrupts some parts of the existing economic system;
- market risk stemming from the potential shifts in supply and demand for certain commodities, products and services;
- reputational risks stemming from changing client or community perceptions of the organisation's contribution to or detraction from the transition to a lower-carbon economy.

Physical risks refer to the risks related to the physical impact of climate change. These types of risk can be event driven (acute) or long-term shifts (chronic) in climate patterns and, as such, their effects can be felt both in the short and medium/long-term horizon.

- acute physical risks are event-driven, including increased severity of extreme weather events (e.g., droughts, floods, etc.);
- chronic risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures).

The connections between climate risk drivers and the risks faced by banks are referred to as transmission channels.

Understanding these transmission channels is crucial for assessing the impact of climate risk drivers in the Group's risk management framework. The figure below illustrates the climate-related risk drivers, relevant transmission channels and risk types that may be affected.



#### IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

With particular reference to the identification and monitoring of Climate Change, an annual portfolio materiality assessment, integrated into the Double Materiality Assessment according to the process described in section "Material impacts, risks and opportunities and their interaction with strategy and business model", is performed to identify the climate-related risk drivers which may materially impact the portfolio at single risk category level, leveraging on common metrics and a unique threshold for risks and time horizons, through scenario analysis. For each risk and under the short- (12 months), medium- (2030) and long-term (up to 2050), the metrics are defined according to an annualized unexpected loss concept, while the threshold for a risk driver to be identified as material is set consistently with the internal ICAAP materiality threshold.

From a methodological perspective the projections of credit risk impact are performed starting from the current distribution of bank loans and assuming over the time horizon (up to 2050) an exposure reallocation in terms of industry/sector in line with Group Credit Strategy and ESG commitments. Similarly for secured portfolio some inertial assumptions have been considered on the expected dynamics of EPC rating for Residential/Commercial buildings. No profit generation is considered.

The set of climate scenarios considered for the analysis is provided by a qualified external provider and is meant to assess and quantify potential vulnerabilities for the short and medium/long-term horizons. The main climate assumptions embedded in the scenarios in terms of transition policies and level of emissions/temperature are consistent with the NGFS/IEA's ones to ensure consistency with scientific climate change pathways to properly assess the impact of physical and transition risk drivers. The scenarios are extended with a more comprehensive set of variables (climate and macro-economic related) disaggregated at higher level of granularity to better fit the Group's risk profile.

In particular, a central scenario (namely, Baseline), which considers the current Transition policies, the central macro-economic outlook and climate assumptions similar to the International Energy Agency (IEA) STEPS scenario incorporating policies deemed sufficiently credible to materialize into action, as well as two polarized stressed scenarios with very low probability of occurrence are considered. To account for the pure climate risk impact, a Baseline Counterfactual scenario is considered, removing from the Baseline scenario any impact deriving from climate risk.

The scenarios' narratives for 2024 climate-risk scenario analysis are described below.

BASELINE	DELAYED TRANSITION	ENERGY DISORDER
<p><b>Central scenario.</b></p> <p><i>Narrative:</i> Projection of commitment and measures currently adopted by different countries. Climate assumptions aligned with the IEA's Stated Policies Scenario</p>	<p><b>Transition risk stressed scenario.</b></p> <p><i>Narrative:</i> policies are introduced in 2030, starting the transition. The delayed start implies that a more stringent policy is required to achieve similar climate outcomes by 2050, resulting in greater economic impacts. Aggressive and uncertain carbon taxation policies cause substantial inflationary pressures, stranded assets and financial instability. Government carbon tax revenues are sufficient to cover the fiscal costs of the transition</p>	<p><b>Physical risk stressed scenario.</b></p> <p><i>Narrative:</i> Increased protectionism in energy, whose demand primarily met with fossil fuels, and other strategic sectors on top of no effective policy actions to address climate change, resulting in high emissions and severe temperature increase</p> <p>The scenario also considers physical damage estimates attributed to changes in temperature volatility and the increasing likelihood of acute events.</p>

The Baseline scenario and the polarized stressed scenarios are modelled as deviations from the Baseline Counterfactual scenario's macroeconomic outlook and, as such, are meant to capture climate risk driven outcomes, with varying mixes of physical (main driver of Energy Disorder scenario) and transition risk (main driver of Delayed Transition scenario) or both (Baseline).

The outcome on the Baseline scenario shows the low magnitude of transition and physical risks in all the three considered horizons.

As described above, the portfolio materiality assessment is the starting point allowing to identify the risk drivers which shall be included in the overall risk management framework to properly manage, monitor and mitigate them.

Within the overall risk management framework, the potential impacts of climate risks have been incorporated in methodology IFRS9 provisioning and into the Internal Capital Adequacy Assessment Process to evaluate the capital adequacy of the bank relative to climate-related risks. The latter, performed through scenario analysis, envisages the full coverage of risk types (e.g., credit risk, market risk, etc) and the integration of forward-looking elements. The impact on capital need estimates shows that the Bank's resilience is ensured in the short-, medium- and long-term.

The integration of transition risk and physical risk into RAF and into credit portfolio is described in the sections below. Moreover, additional details are reported also for Financial and Non-Financial risks, considering their relevance for UniCredit group.

#### Integration of climate risk into RAF

The Group's Risk Appetite provides an integrated view of business and risk strategy ensuring strategic plan execution within the risk capacity a bank is willing to assume. It establishes the Group's desired risk profile, driving short-term and long-term strategic objectives, and is supervised by the Board of Directors.

The Risk Appetite Framework (RAF) is composed of three key elements:

- Risk Appetite Statement (RAS) - provides a strategic view of and guidance on the target risk profile and is expressed via qualitative statements;
- Risk Appetite Dashboard - quantitative KPIs with related targets and risk tolerance thresholds for proactive risk steering;
- Risk Strategies - ensure the cascading of the Risk Appetite to more granular levels via operative indicators, limits and controls.

Since 2020, dedicated Risk Appetite Statements are drawn up regarding Climate & Environmental (C&E) risks at UniCredit Group level, including the definition of UniCredit Group's commitment to assist its clients in a just and fair transition and the continuous integration of C&E risks within the UniCredit Group Risk Management framework. Dedicated quantitative C&E risk related KPIs have been included in the UniCredit Group Risk Appetite



Dashboard since 2022, addressing both transitional and physical C&E risks. As of 2024, the following C&E KPIs are included in the UniCredit Group Risk Appetite Dashboard and quarterly monitored at UniCredit Group level.

High Transition risk exposure KPI - aimed at measuring the UniCredit Group's exposure against largest counterparties that appear more vulnerable along the transition path towards a lower-carbon economy, based on information retrieved through Climate and Environmental Questionnaire during credit application.

Physical risk KPI - designed to measure potential damages that extreme climate-related acute physical risks events could cause to the UniCredit Group's collateral portfolio. Net Zero KPI has been defined on the following 3 priority sectors with the same metrics used to set 2030 targets (financed emissions and physical intensity), to steer accordingly the portfolio in 2024:

- Oil & Gas: Financed Emissions (MtCO<sub>2</sub>e);
- Power generation: Physical intensity (gCO<sub>2</sub>e/kWh);
- Automotive: Physical intensity (gCO<sub>2</sub>/vkm).

As of 2025 RAF Dashboard, the KPI Net Zero will also include the following sectors:

- Commercial Real Estate: Physical intensity (KgCO<sub>2</sub>e/m<sup>2</sup>);
- Residential Real Estate: Physical intensity (KgCO<sub>2</sub>e/m<sup>2</sup>).

Specifically, in 2025, the KPI will be monitored at UniCredit Group level and cascaded to all relevant Legal Entities for the 3 priority sectors, while for Commercial Real Estate only to Italy, Germany and Austria (being this the scope of Net Zero commitment) and for Residential Real Estate only for Monitoring purposes (no RAF target/thresholds), being the 2030 target not externally communicated as for other sectors.

Being an integral part of the UniCredit Group Risk Appetite monitoring process, C&E KPIs are subject to an escalation process (in the case of risk tolerance threshold breaches) with related corrective/mitigation actions to be defined, when needed. The UniCredit Group Board of Directors is informed of the breach and remedy actions (if any) on a quarterly basis in the periodical information sharing process.

As of today, no breach in any of the defined thresholds happened.

Locally, RAF 2025 Dashboard will include the KPI Net Zero in following sectors:

- Oil & Gas: Financed Emissions (MtCO<sub>2</sub>e);
- Power generation: Physical intensity (gCO<sub>2</sub>e/kWh).

In the following sections, the integration of transition risk and physical risk into credit portfolio will be further described. Additional details are reported also for Financial and Non-Financial risks, considering their relevance for UniCredit Group.

#### **Integration of transition risk into credit portfolio – Credit Risk strategy and counterparty level.**

UniCredit Group and also UCB CZSK have been working on the identification, measurement, monitoring and mitigation of transition risk. The transition risk of the portfolio is measured with different metrics, also including the distribution of the credit portfolio by industry.

A comprehensive approach has been developed to assess and manage transition risk; the Risk Management framework defined is fully consistent with the RAF and is based on 3 pillars:

- specific reputation risk policies set-up (refer to subparagraph "Non-Financial Risks" below);
- dedicated Industry steering signals, based on relevant C&E factors (linked to transition risk) included in the Credit Risk Strategies framework reviewed at least once a year;
- assessment at customer group or single client level, mainly leveraging a dedicated C&E questionnaire/external provider score.

In particular, the Industry steering signals (i.e. underweight, neutral, overweight) and the related industry limits embed relevant C&E factors, mainly leveraging a heatmap based on harmonized transition risk scores (integrating C&E questionnaire where available) by economic activity.

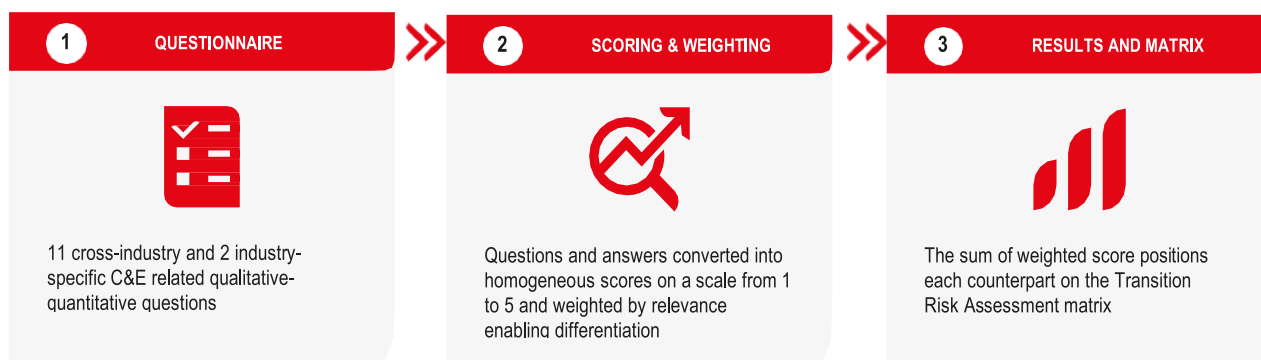
Further principles are also integrated within qualitative guidelines (including Net zero indication where relevant) for the business to assess and mitigate the risks for each specific industry. The cascading to the legal entities of the Group, together with the monitoring and escalation processes at local and Parent company level, steer different credit portfolios in alignment with the RAF.

To determine the extent to which the Bank's credit counterparties (subject to the C&E questionnaire perimeter) are exposed to Climate and Environmental risks, the C&E questionnaire is based on a set of both cross-industry questions (in total 11 considering the different sections) and industry-specific questions (an additional 2 for specific sectors), measuring qualitative and quantitative current and forward-looking key indicators across the following three main drivers.

#### **The three main drivers of the C&E questionnaire are:**

- C&E exposure - the 5 questions allow an analysis of the current level of exposure of the Economic Group under assessment: (i) level of Greenhouse Gas (GHG) emission (Scope 1, 2 and 3); (ii) Water consumption, (iii) Energy consumption; (iv) Waste production and recycling;
- C&E vulnerability - the 4 questions allow an analysis of the climate change management maturity level on a forward-looking basis, covering: (i) Company's investment plan to shift to lower emission level business model, (ii) GHG emissions reduction target;
- Economic Impact - the 2 questions allow an analysis of the potential impacts on corporate clients' financial and industrial performance in terms of cost and revenues.

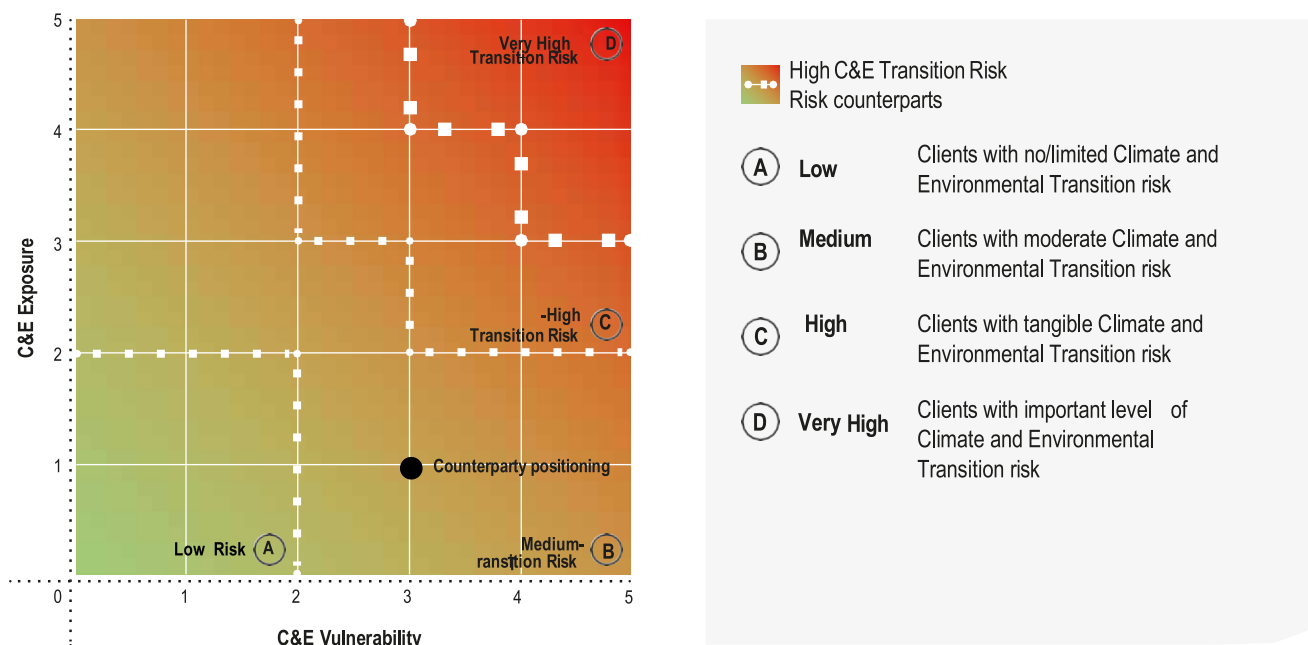
Three steps are applied in order to determine the questionnaire result as shown below:



In detail:

- calculation of question-specific indicators based on the answers provided (a penalty system is in place and applied when information could not be retrieved);
- conversion of indicators, related to single questions, to standardize the scores of different responses and guarantee comparability of results;
- weighting of question-specific scores according to a pre-defined table (that takes into account the relevance of the questions) and calculation of the summary score for the different dimensions:
  - sum of question-specific scores (and penalties if necessary) for each question in the Exposure cluster; the result is plotted on the vertical axis of the matrix;
  - sum of question-specific scores (and penalties if necessary) for each question in the Vulnerability cluster; the result is plotted on the horizontal axis of the matrix;
- determination of C&E score ratings (1-Low; 2-Medium; 3-High; 4-Very High Risk), as shown in the matrix below.

#### Scoring methodology matrix



In order to guarantee the robustness of the model and the correctness of the data collected, specific controls have been put in place and a mask dedicated to the uploading of documents used by the relationship manager to collect the data has been set up in order to verify the sources and correctness of the information. The results of the climate and environmental assessment are integrated in the credit application, allowing the decision maker to effectively take climate and environmental factors into account during the credit decision phase.

A specific process, factoring in transition risk and physical risk evaluation (together with reputational risk and Net Zero whenever relevant), has been designed and cascaded to the Group through a dedicated UniCredit Group Operational regulation in order to address the inclusion of Climate and Environmental considerations into the overall evaluation of the client. Leveraging on transition risk score, the process application results in specific

strategies (in terms of eligible products) to steer the corporate portfolio's exposure fostering the clients' green transition and reducing at the same time Group's exposure to C&E Risks.

More in details, in case the client is subject to high or very high transition risk, the strategy foresees prevalence or exclusivity of ESG related products, respectively. Outcome of physical risk assessment at counterparty level is meant to complement the strategy with the request of physical risk mitigation action whenever deemed necessary.

#### **Transition risk at collateral level**

With the aim of measuring transition risk associated with assets accepted as collateral to fulfill regulatory obligations (Pillar 3, EU Taxonomy, Stress Tests) and meet managerial needs, a collection of Energy Performance Certification (EPC) data has been conducted:

- for the stock, where the data could not be punctually retrieved, the Group leveraged on external specialised providers, which developed an estimation model.
- for the new flows, the following transition risk KPIs are collected where available and properly taken in consideration during origination phase:
  - Energy Performance Certification label (EPC) with flag indicating estimated/reported;
  - Primary Energy Demand (PED) measured as kWh/sqm;
  - CO2 emissions (in Slovakia only);
  - Energy Performance Certification label issuance year.

Such information is available in the local systems.

#### **Physical risk in the credit portfolio**

Physical risk is carefully monitored for both counterparties within the Group's portfolio and individual collateral assets. This involves the assessment of a wide range of hazard events, with particular attention given to the following:

- material hazard events related to physical risk at counterparty level; and
- material hazard events related to physical risk at collateral level.

The UniCredit Group's guidelines to integrate physical risk and transition risk KPIs into collateral evaluation, issued through a UniCredit Group CRO Letter in 2023, have been transposed and embedded in a UniCredit Group Operational Regulation published in January 2024 and properly cascaded to all the Legal Entities and thus also to UCB CZSK.

According to the guidelines, the appraiser is delegated to evaluate, based on own independent assessment, the extent of transition risk (leveraging on EPC) and physical risk (through a homogeneous set of hazards to be assessed and evaluated with a dedicated taxonomy provided by the guidelines) and to embed also these components in the overall assessment and final value assigned to the collateral.

#### **Financial Risk**

With regards to financial risks (market risk, liquidity risk and counterparty credit risk), several concrete initiatives have been implemented over the last years to further integrate C&E risk into the financial risk management framework. The key pillars of the approach followed include:

- an overall methodological approach for incorporating C&E drivers within the Financial Risk framework has been refined, leveraging on a combination of assessment methodologies already employed by the Group. The methodological framework measures transition and physical risks within the Financial Risk relevant perimeter. For this purpose, both internal (transition) risk scores as well as externally sourced scores are applied. For the purpose of transition risk these scores are complemented by industry scores to further increase the data coverage. For the relevant market risk perimeter (Corporates&Financials) in the trading book for transition risk a very high coverage can be accomplished (almost 100%) and for physical risk about >60% coverage can be obtained. For the investment portfolio relevant perimeter (Corporates&Financials) for transition risk an almost full coverage and for physical risk about 50% coverage can be obtained, similarly also for the purpose of counterparty credit risk and liquidity risk (Counterbalancing Capacity - CBC);
- C&E KPIs are included within market risk \ counterparty credit risk strategy in line with Group ESG strategy; a dedicated limits and warning levels are applied. Specifically:
  - Granular Market Limits (GMLs) for equities and credit exposure vs high transition and physical risk score in the trading-book;
  - Granular Market Limits (GMLs) for non-sovereign debt securities exposure vs high transition and physical risk score in the investment portfolio, i.e., in the banking book;
  - Early Warning for sovereign debt securities exposure vs high transition and physical risk score in the investment portfolio, i.e., in the banking book;
  - Stress Test Warning Levels (STWL) on dedicated climate scenarios;
  - Early Warnings on Pre-Settlement exposure for counterparties with High Transition and Physical Risk score;
- the assessment of C&E drivers is incorporated into the process for evaluating new financial products within the Group. When assessing new products, LEs are responsible for verifying whether any C&E risk is embedded in the product's payoff/structure and for ensuring consistency with Group's ESG strategy by involving the local competent function if needed;

specific inclusion and exclusion criteria for investment process and transaction due diligence in coherence with Coal and Oil & Gas sector policies.

Concerning Monitoring and Reporting, the Financial Risk function monitors and reports monthly to competent corporate governing bodies the concentration towards climate risk with reference to equity risk and corporate and financial bonds in the trading book, corporate and financial bonds in the investment portfolio, counterparty credit risk exposures and counterbalancing capacity. The monitoring framework includes physical and transition risks within the Financial Risk relevant perimeter complemented also by an analysis with respect to physical risk hazards. Additionally, also a Carbon Foot printing analysis for the corporates and financial bonds in the investment portfolio is included.

In April 2022, the market risk stress testing program was enhanced with a dedicated climate risk scenario which extends the ECB short-term disorderly transition scenario. Moreover, since October 2022, the monthly reporting and monitoring framework has been enhanced by incorporating transition and physical risks and in December 2022 the Climate risk stress test scenarios were further increased. In September 2024 the Baseline Counterfactual scenario, which does not include any impact from Climate risk, was introduced. This scenario is used to identify the climate risk which may materially impact the portfolio in the Stressed Scenarios, as well as in the Baseline scenario, by neutralizing the pure macro-economic outlook from the estimates.

#### **Investment Portfolio:**

Direct Transition and Physical Risk Scores are available for 100% and 45% respectively of the relevant perimeter of the Investment Portfolio (Corporates and Financials exposure). The distribution of the investment portfolio is mainly concentrated in Medium-Low category (54%) for Transition Risk and in Low category (71%) for Physical Risk. Not material exposure with high transition risk score and no high risk score for physical risk.

##### **Transition Risk:**

High – 0%  
Medium High – 44%  
Medium Low – 54%  
Low – 2%

##### **Physical Risk:**

High – 0%  
Medium High – 14%  
Medium Low – 14%  
Low – 71%

#### **Trading Portfolio:**

The overall materiality of climate-related exposure is very low. The split between equity-related and credit-related risk in the trading book is illustrated below:

##### **Equity risk in the trading book:**

Direct Transition and Physical Risk Scores are available for 99% and 91% respectively of the relevant perimeter of the Portfolio (Corporates and Financials exposure). Risk distribution is mainly concentrated in the Medium-Low category for both Transition (48%) and Physical (45%) Risk. Currently there is almost no exposure for a high-risk score for either transition or physical risk.

##### **Transition Risk:**

High – 1%  
Medium High – 27%  
Medium Low – 48%  
Low – 23%

##### **Physical Risk:**

High – 1%  
Medium High – 15%  
Medium Low – 45%  
Low – 29%

##### **Credit risk in the trading book:**

Direct Transition and Physical Risk Scores are available for 99% and 76% respectively of the relevant perimeter of the Portfolio (Corporates and Financials exposure).

Risk distribution is mainly concentrated in the Medium-High category (67%) for Transition Risk and in the Low category (57%) for Physical Risk. Currently there is almost no exposure for a high-risk score for either transition or physical risk.

##### **Transition Risk:**

High – 0.5%

Medium High – 67%  
Medium Low – 29%  
Low – 3%

Physical Risk:  
High – 0.2%  
Medium High – 13%  
Medium Low – 30%  
Low – 57%

The materiality for financial risk is assessed via the standard ICAAP framework as described earlier and is complemented by further concentration analyses and stress scenarios. Based on these assessments, combined also with qualitative considerations on UniCredit's trading business model, appears to be no materiality of climate & environmental drivers on market risk exposures.

Similarly, the outcome of the liquidity impact of climate risks reveals a limited materiality of the exposures to these risks also in ILAAP.

Climate risk could cause material net cash outflows or depletion of liquidity buffers, mainly stemming from the financial impact on the held assets of a changing climate (i.e., physical risk) or the institution's financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy (i.e., transition risk). According to the definition of physical and transitional risk, the transmission of climate risk to liquidity comes through the following channels:

- i. Counterbalancing Capacity (CBC): risk premia on securities of carbon-intensive issuers (transitional risk) or issuers particularly exposed to extreme climate events (physical risk) could increase, deteriorating the market value of the liquidity buffer;
- ii. Deposits: withdrawals of deposits mainly due to high liquidity needs and credit losses that could stem from corporate clients with high CO2 emissions, which could have to adapt their technologies and production plants to more carbon-neutral economies (transitional risk) or from customers hit by severe weather events (physical risk), which reduce profitability and potentially increase credit risk and liquidity needs;
- iii. Undrawn credit and liquidity facilities, whose usage might increase for the same reasons listed for deposits;
- iv. Market valuation changes on derivatives transactions climate related price shocks and increased market volatility may result in increased derivative exposures and related margin-calls.

Additionally, the transition risk might appear if UniCredit itself fails in adapting its practices to the new climate regulations, thus leading to reputational impacts. Such a risk is regularly monitored through the name crisis scenario of the liquidity stress test.

In order to assess the materiality of the liquidity risk arising from climate factors related with deposits and committed lines, UniCredit's customers are classified according to a climate risk score defined through an internal questionnaire or acquired by external information providers. A stressed liquidity outflow ratio (from granted committed lines or from outstanding deposits) is applied on those customers labelled with high or medium high risk: the underlying assumptions of the impact analysis is that these customers will have increased liquidity needs comparable to those simulated in the severe internal liquidity stress test analysis.

The potential deterioration or the value of the counterbalancing capacity or the change in the value of derivatives (generating margin calls) is estimated by applying specific climate scenarios to the most relevant market variables (the same scenarios used in the ICAAP analysis).

The above-described effects are applied to the operative maturity ladder and the liquidity coverage ratio to assess the climate risk impact on the short-term perspective. Similarly, the effects are applied to the net stable funding ratio to simulate the structural liquidity changes produced by the above-described simulations.

The resulting impact is compared with the internal inherent risk severity thresholds.

In general, longer-term effects (on the balance sheet structure) are low both for transitional and physical risk, as the liquidity structure of the Group balance sheet is sound and ensures enough time to absorb potential climate related changes. In case physical risk materializes the channel through which the risk would transmit to liquidity is mostly from the potential deposit outflows.

As far as the short-term effects (direct impacts on liquidity) are concerned, the exposure to physical risk is classified as medium-low: the impact of deposit outflows has a higher weight on short term metrics.

Also for transitional risks the impacts are negligible on the longer term horizon. Short term metrics are instead more impacted both by the potential higher usage of deposits from customers with high or medium high exposure to transition risk and from the potential margin calls connected with the higher volatility of commodity prices. The overall impact for the Group will remain anyway medium low, according to the internal severity scale. Both for physical and transitional risks the identified impacts (classified as medium-low) can be easily absorbed by the liquidity buffers available in the Group.

#### **Non-financial risk**

Non-financial risks can be influenced by environmental factors in general and by the climate change in two different ways:

- i. Reputational risk - Risk for the Group of being perceived and criticized for supporting activities and projects through its financial products and services that harm the environment and contribute to worsening the climate change scenario;

- ii. Operational risk - Risk for the Group of facing temporary disruption or unavailability of key premises (e.g., data centres, operational centres, headquarters) or for the discontinuity of services suffered by some of its third-party service providers due to adverse extreme climate conditions.

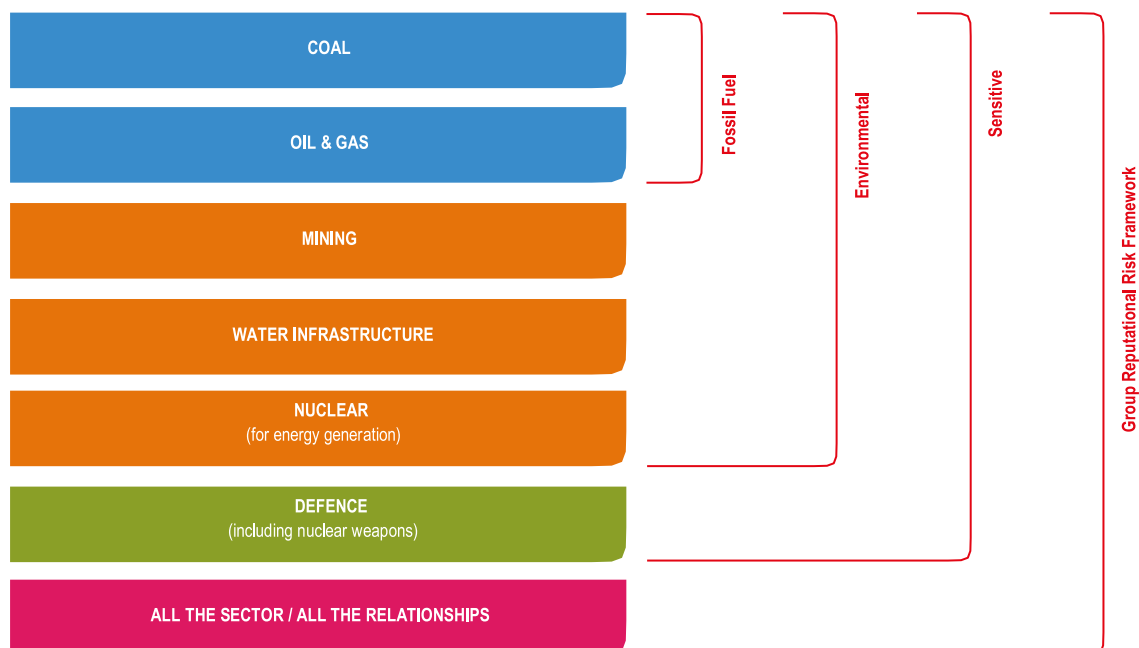
The Group has implemented adequate processes to mitigate the above-mentioned risks.

With regards to **reputational risk**, the Group defines Reputational Risk as the current or prospective risk to earnings and capital resulting from the negative perception of the Financial Institution's image by various stakeholders including clients, shareholders/investors, regulators, employees, debtholders, market analysts, civil society, NGOs, media and other relevant parties.

The management of reputational risk relies on:

- setting clear general rules and guidelines for:
  - defining the profile of relationships (with clients as well as with other relevant counterparties such as suppliers) and operations (mainly financial support, but also investments and other financial products and services offered) that the Group is available to manage and develop;
  - defining the profile of what the Group does not consider to be in line with its foundation principles and reputational standards. These rules and guidelines are designed to ensure alignment with laws, internal and external regulations, best practices within the sector and reflect the risk appetite and the sensitivity of the Group;
- setting additional specific rules and guidelines for sectors considered sensitive (Coal, Oil & Gas, Defence, Nuclear, Mining, Water Infrastructures) and contributing to the Group commitments for specific topics (Rainforest, Tobacco, Human Rights, Natural Capital/Biodiversity);
- requiring for each relationship the evaluation of the conformity to the rules and guidelines mentioned above;
- ensuring respect of the rules mentioned above for each operation, performing a specific Reputational Risk Assessment involving the dedicated Reputational Risk function and other specialist/competent functions (e.g., ESG, Compliance, Legal) in cases of potential deviation and rejecting operations in breach of such rules;
- setting conditions, controls or limitations, where deemed necessary, in order to reduce the material residual Reputational Risk for Group, regardless of the sector connected to the case;
- independently from the sector, evaluation of the liability/litigation risk that can derive from supporting a deal which could produce a negative environmental or social impact, when the deal is under the Equator Principles (EP) framework;
- taking the right decisions at the right level of authorization in cases of potential reputational risk, involving the Group Non-Financial Risks Committee (GNFRC) for the highest risk cases and/or for strategic decisions.

The Group, in its continuous monitoring of the market and stakeholder's expectations, has identified six «sensitive sectors» for which it has adopted a dedicated additional set of provisions and rules described in specific internal regulations listed below:





In addition, the Group has signed specific commitments regarding the exit from Tobacco industry and from activities that favor deforestation or forest degradation and also reinforced its positioning on Human Rights commitment.

The inclusion of a sector among the sensitive ones and the provisions of the existing ones are renewed on a continuous basis, taking into account the evolution of the market and the sensitivity of the Group towards these sectors.

Global policy on Reputational risk sets minimum requirements for subjects and deals regardless the sector of belonging (e.g. no operation is UNESCO/protected areas IUCN I-IV).

For each sensitive sector, the specific regulation covers the following aspects:

- the scope of the sector (type of subjects and activities);
- the forbidden activities (activities that the Group is not available to support with its financial products and services, e.g., controversial weapons, nuclear weapons, coal-related activities, oil & gas activities in the Arctic region);
- the classification of clients:
  - Class A - clients completely in line with the provisions and for which the Group is available to provide full financial support;
  - Class B - clients partially in line with positive transitions and moving in the right direction. The Group is available to support these clients with its financial products and services, refraining from providing other types of financial products and services that do not align with the transition towards more sustainable practices;
  - Class C - clients not aligned with the provisions of the Group or moving in a different direction and for which the Group is not available to provide any kind of financial support. In these cases, a phase-out of the relationship may be considered.

The Group has defined a process for assessing Reputational Risk, identifying cases where a dedicated assessment is necessary.

The decision-making bodies responsible for assessing cases of reputational risk can vary according to the relevance of the case and alignment with the policy provisions.

Cases that envisage a potential high relevance with appetite not set yet are brought to the attention and decision of the Non-Financial Risks Committee (NFRC) chaired by the CEO.

Cases where reputational risks are deemed to be of significant relevance within the Group are submitted to the UniCredit Group for further validation (Non Binding Opinion - NBO).

A Reputational Risk decision taken at local level also requires an NBO by the Parent Company in two specific situations:

- when the case, authorised by the Local NFR Committee, presents a High Reputational Risk and has to be submitted to a Group Credit Committee (GCC or GTCC);
- when explicitly requested by the policy. e.g., exceptions granting, Green Project Financing in the Oil & Gas or Coal sectors, granted to a B class client, requires an NBO to double check that the Green project is currently aligned with the EU Taxonomy.

Whenever a further scrutiny of a case is deemed necessary, Legal Entities can ask the Parent Company for an NBO for cases other than the two mentioned above.

Any unplanned and unforeseen situations related to a specific relationship or deal and not aligned with the standard provisions of the policy are evaluated case by case. Expert judgement is required for evaluating the alignment of the case with the Group general principles on Reputational Risk. Any decisions must diligently consider the provisions of the applicable policy and the characteristics and context of the case under examination.

With regard to **Operational risk**, for all Legal Entities the UniCredit Group carries out an assessment aimed at identifying critical locations where unavailability could harm business continuity (e.g., data centres, headquarters, operational centres).

In 2023, 5 buildings were selected for the yearly assessment of Czech Republic and Slovakia. Each location has been classified according to current risks from extreme adverse climate conditions (river floods, flash floods and wildfire) that could affect the location itself. None of the buildings resulted as potentially exposed to high or medium high risk.

Wherever the business continuity plan highlighted the inadequacy of the backup building (e.g., exposed to the same risk as the primary location), adequate mitigants were identified (e.g. definition of a new backup location, full smart-working implementation, etc). For one building a formal taking risk has been taken by the Legal Entity Management Board, considering that additional mitigants were not identified.

Moreover, in 2023, exposure to the perceived risk in a scenario of +4°C in 2030 has been considered. In this case, no additional buildings have been identified currently exposed to such risks.

In order to assess the resilience of third-party service providers with regard to climate change, the Third-Party Assessment (performed during onboarding of new suppliers, then yearly) has been enhanced by also considering the business continuity plans adopted to manage potential adverse climate events.



#### **Pollution; Water and Marine resources; Biodiversity and ecosystems; Resource use and circular economy:**

Beyond climate, UniCredit Group and also UCB CZSK have conducted a thorough screening of its operations and site locations to assess actual and potential impacts, risks and opportunities related to other environmental factors: pollution, water consumption, biodiversity and waste management. While the core business activities of the Ban are not inherently highly emitting in terms of pollution, water use, or waste generation, UniCredit Group and also UCB CZSK remain committed to monitoring its environmental impact.

The screening process considered various factors, including pollution derived from employee **travel** using vehicles, potential improper **water management** (both in terms of consumption and withdrawal), the use of resources and **raw materials**, **waste** generation, and potential ecosystem contamination or **biodiversity** loss. The latter was particularly relevant for the UniCredit Group and also UCB CZSK's limited activities in sectors such as construction and agriculture, which are, by definition, dependent on ecosystems, although they represent a small portion of UniCredit Group and also UCB CZSK's operations. Nevertheless, the Group does not own sites located in or near biodiversity-sensitive areas and therefore it is not necessary to implement biodiversity mitigation measures.

Building on the identified impacts, the analysis also revealed opportunities, such as potential economic savings through initiatives and projects focused on efficient resource and raw material use, recycling, reuse and dematerialisation, as well as consistent monitoring of water consumption and compliance with water regulations. Overall, the screening concluded that the environmental impact of the UniCredit Group and also UCB CZSK's operations on these non-climate-related factors is not significant, and no significant risks were identified, neither in relation to biodiversity-related transition, physical or systemic risks.

In addition to UniCredit Group and also UCB CZSK's own operations, UniCredit Group and also UCB CZSK have conducted a screening of its business activities, based on the development of a sector-level heatmap of the loan portfolio, aimed at evaluating which sectors are most exposed to nature-related risks by analysing their impacts and dependencies on nature. Reference is made to paragraphs "E3 - Water and marine resources", "E4 - Biodiversity and ecosystems", "E5 - Resource use and circular economy".

Negative impacts were identified, including the financing of pollutive sectors, water-intensive industries and sectors contributing to significant inflows and consumption of resources, as well as high waste generation and biodiversity loss. These negative impacts are all non-material except for the standard E5 - Circular Economy.

Nevertheless, through UniCredit Group and also UCB CZSK's effort and commitment, positive impacts have also been identified, particularly in the willingness to promote heightened awareness of these environmental aspects among financed clients. This proactive engagement underscores the Group's dedication to fostering sustainable practices across its client base.

Building on these impacts, business opportunities have been recognised, including the creation and promotion of innovative financial products and services centered on green and sustainable investments. Such initiatives not only support the UniCredit Group and also UCB CZSK's strategic objectives but also contribute to the protection and preservation of natural capital.

On the other hand, risks have also been identified, primarily related to the possibility of counterparties financed by or invested in by the UniCredit Group and also UCB CZSK failing to comply with environmental laws and regulations, and to a potential decline in the creditworthiness of counterparties operating in environmentally sensitive sectors, which could pose financial challenges to UniCredit Group and also UCB CZSK. These risks resulted non-material.

An integral part of the process for identifying IROs related to environmental factors was the organisation of the ESG Day. This event provided a valuable opportunity to foster dialogue among stakeholders on environmental topics, consulting them and gathering their views and perceptions. Once identified, the IROs were further evaluated by external stakeholders, including NGOs, academics, investors, and clients, to collect their feedback and insights, ensuring a comprehensive and inclusive assessment process.

The double materiality assessment highlighted that **all environmental topics are material, except for pollution.**

#### **Business Conduct:**

To identify impacts related to business conduct matters, UniCredit Group and also UCB CZSK has conducted an in-depth analysis of its internal structure, policies, and business model. The process specifically considered factors such as internal corporate culture, the approach to combating corruption and bribery, supplier relationships and payment practices, as well as adherence to whistleblowing procedures. The analysis incorporated relevant criteria, including the location and activity of the operations, the sectoral context, and the structure of transactions, ensuring a comprehensive approach to assessing business conduct matters.

From this analysis, several opportunities were identified, including the enhancement of reputation through investments in the development of innovative tools to manage, monitor and prevent corruption and bribery. Additionally, opportunities were recognized in improving the quality of products and services purchased by fostering a more sustainable supply chain and prioritising certified products that meet minimum environmental criteria. However, the assessment also identified risks such as the potential for fraud, money laundering, sanctions violations, bribery and corruption and failures in Know Your Customer (KYC) compliance.

## Minimum disclosure requirement on policies and actions

### MDR-P-1 - Policies adopted to manage material sustainability matters

UniCredit Group's policies that are implemented within UCB CZSK internal policies represent the tangible expression of the commitment to ESG principles. Specifically, the topics and sub-topics identified as material through our double materiality assessment are comprehensively addressed within the policies outlined below. Further details on material IROs covered by each policy are described under each topic-specific section.

#### **Smart office workplace global policy:**

The global policy smart office workplace and its guidelines define internal principles, rules and guidelines for the planning and occupancy of UniCredit Group's larger offices, to enable efficient and sustainable long-term real estate investments and to provide a state-of-the-art workplace environment in line with UniCredit Group's culture while respecting workplace ergonomics for the well-being of employees. The policy also aims to support UniCredit Group's commitment to reduce operational CO2 emissions and to become Net-Zero compliant: it will have an impact on energy consumption and related emissions of headquarters buildings impacted by space-optimisation projects, since it defines space efficiency KPIs and provides guidelines on energy efficiency measures.

This policy is applicable in all regions and to all legal entities for head offices and larger corporate offices (generally for 100 headcount or more), and it should be evaluated, adopted, and reviewed at the following trigger events: office opening/lease extension/relocation decision, major refurbishment or need for adoption to significant changes in the size of the workforce. Overall, the adoption of this document is subject to monitoring by UniCredit Group Real Estate with the support of the real estate department or the reference point of UniCredit Group legal entities.

Locally implemented into the UCB CZSK internal policy Smart Office.

#### **Civil nuclear:**

The sector regulation on civil nuclear establishes standards and guidelines that address the risks associated with the Civil Nuclear sector. Specifically, it defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aiming at assessing the specific situation and characteristics of each civil nuclear-related subject or activity.

The specific provisions of civil nuclear sector regulation apply to all subjects, defined as prospective or active corporate customers who operate as owners or operators of Nuclear Power Plants (NPP) and operators of non-commercial civil nuclear activities (i.e. civil nuclear energy research for improving safety standards). The provisions also apply to any specific purposes/transaction financing or supports, irrespective of the subject, when related to:

- engineering, construction, maintenance, expansion, upgrading, refurbishment and decommissioning of the NPP and ancillary services, key components, infrastructure and equipment for auxiliary systems, facilities for the receipt and interim storage of fuel and safeguard systems subject to safety requirements;
- nuclear waste processing activities;
- civil non-commercial nuclear activities (i.e. fusion nuclear energy research for improving the safety standards of the nuclear energy sector or for developing advanced technologies (e.g. ITER Project) outside the military field, or research and development in the medical sector).

Guidelines of sensitive sectors policies are approved by UniCredit Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to UniCredit Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

#### **Coal sector**

The Sector regulation on Coal establishes standards and guidelines that address the risks associated with the Coal sector. This regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the "Reputational and ESG Risk Assessment", aimed at assessing the specific situation and characteristics of each coal-related subject or activity.

The specific provisions of Coal regulation apply to all subjects, defined as potential or active customers, belonging to corporate or corporate key clients or large corporates, and operating in the Coal-Fired Power Generation area (e.g., CFPPs), as owners, operators, subcontractors or suppliers of "key components/infrastructures", coal traders and energy traders of coal-generated electricity or in the thermal coal mining area, as owners, operators, subcontractors, suppliers of "key components/infrastructures", coal traders/sellers and distributors of coal. Moreover, the provisions apply to activities related to:

- for CFPPs: design, building (as well as expansion and/or upgrading), maintenance, ordinary operations and distribution (if regarding electricity directly produced from CFPPs);
- for thermal coal mines: design, building (as well as expansion and/or upgrading), maintenance, ordinary operations and distribution

(Thermal coal sale or trading of the commodity);

- for key infrastructures (e.g.: distribution network directly connected to the plant, railway network connected to the mine): design, building (as well as expansion and/or upgrading), maintenance and ordinary operations.

UniCredit Group understands the increasing adverse effects that CFPPs, as well as the thermal coal mining sector, have on the climate system and is aware of its responsibility towards society and future generations in terms of environmental preservation (resources/ecosystem quality), as well as human health and pollution. This regulation aims therefore at assessing the potential environmental, social and reputational impacts of the Group's involvement in coal sector projects/transactions and, through the implementation of appropriate management and mitigation measures on the Group clients or counterparts' side, to limit associated risks for UniCredit Group. Through this regulation, the Group wants to support and accelerate the coal sector energy transition and the related improvement of its environmental/social footprint.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

### **Defence/Weapons**

The Sector regulation on Defence establishes standards and guidelines that address the risks associated with the defence sector. Specifically, this regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the "Reputational and ESG Risk Assessment", aimed at assessing the specific situation and characteristics of each defence-related subject or activity.

The specific provisions of Defence regulation apply to all the subjects, defined as potential or effective corporate customers belonging to the following categories:

- all the companies operating in the defence sector, as designers, producers, traders, distributors or suppliers of weapons, their components, their infrastructures, and their services;
- all companies whose activity of export of military goods is submitted to specific authorisation from the local authorities;
- all companies whose business is related to dual use products.

The provisions also apply to activities related to design, manufacturing, testing, trading, export, maintenance, ordinary operations related to the weapons or other products destined to the Defence (military goods), their key components, or to the related key infrastructures, and key services requested for their effective and efficient operations.

UniCredit Group understands the increasing adverse impacts that defence-related activities, controversial and nuclear ones, have on environment, health, and humanitarian principles violation. UniCredit Group is aware of its responsibilities towards society and has a position against the financing of such weapons, while acknowledging that certain types of weapons are necessary for the effective pursuit of morally sound and internationally accepted goals, such as peacekeeping and national self-defence.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

### **Mining Sector Policy**

The Sector regulation on Mining establishes standards and guidelines that address the risks associated with the mining sector. This regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the "Reputational and ESG Risk Assessment", aimed at assessing the specific situation and characteristics of each mining-related subject or activity.

The specific provisions of mining regulations apply to all the subjects who operate in the mining area for minerals and raw materials which include (but are not limited to) base metals, precious metals, ferrous and non-ferrous metals, coal, uranium, asbestos, gemstones, salts, and industrial or agricultural minerals, as owners, operators, subsidiaries, subcontractors or suppliers of "key components". The provisions also apply to all the activities related to:

- Prospecting, exploration and mining production of mineral raw materials, which include (but not limited to) base metals, precious metals, ferrous and non-ferrous metals, coal, uranium, asbestos, gemstones, salts, and industrial or agricultural minerals;
- Development, construction, and operation of facilities to mine, process, and transport mineral raw materials, as well as supporting infrastructure;
- All the decommissioning, closure, rehabilitation, and post-closure monitoring activities associated with mines.

This regulation aims to assess the potential environmental and social impacts originating from financing mining sector-related activities and to limit associated risks to UniCredit Group's reputation through the implementation of appropriate management and mitigation measures.

Guidelines of sensitive sectors policies are approved by UniCredit Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to UniCredit Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

### **Oil and Gas Sector**

The sector regulation on Oil & Gas establishes standards and guidelines that address the risks associated with the oil and gas sector. This regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aimed at assessing the specific situation and characteristics of each oil and gas-related subject or activity.

The specific provisions of oil and gas regulation apply to all the subjects, defined as potential or active customers belonging to Corporate or Corporate Key Clients or Large Corporates business division, when applicable and active in the oil and gas upstream and midstream sectors, as owners, operators, subcontractors or suppliers of key components/infrastructures/services (e.g. EPC contractors). The provisions also apply to all the activities (design, building, as well as expansion and/or upgrading, maintenance and ordinary operations) related to upstream and midstream segments of the oil and gas sector.

UniCredit Group understands the increasing adverse impacts that oil and gas-related activities, unconventional and Arctic risks have on the climate system and is aware of its responsibilities towards society and future generations in terms of environmental preservation (resources/ecosystem quality), as well as human health and pollution. This regulation aims therefore to assess the potential environmental, social and reputational impacts of UniCredit Group's involvement in the oil and gas sector projects/transactions and, through the implementation of appropriate management and mitigation measures on UniCredit Group clients or counterparties, to limit associated risks for UniCredit. UniCredit Group wants to support and accelerate the oil and gas sector energy transition and the related improvement of its environmental/social footprint.

Guidelines of sensitive sectors policies are approved by UniCredit Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

### **Tobacco sector Commitment**

UniCredit's public Commitment on Tobacco outlines the position of UniCredit Group towards the tobacco sector and our initiatives to play an active role in addressing global environmental and social priorities. UniCredit committed to exit the industry by the end of 2025: this refers to our exposure to manufacturers and producers of tobacco products (distributors of tobacco products and producers of packaging for tobacco products are not in scope) in all countries where we operate.

2022 represented a one-year phase-in period to start our customer engagement: we explained the above reasons to our clients and introduced the application of our commitment. In this period, UniCredit did not acquire new customers in the tobacco sector and at the same time did not allow any tobacco-related project financing. From 2026, we will phase out relationships with all manufacturers and producers of tobacco products.

UniCredit has signed the Tobacco Free Finance Pledge with the aim to have an active role in addressing global environmental and social priorities, as outlined in the Sustainable Development Goals (SDGs), including SDG 3 – Health and Well-Being and SDG 17 – Partnerships for the Goals, and recognised by the World Health Organization Framework Convention on Tobacco Control. Together with the other institutions who joined the Pledge, we aim to raise awareness among financial institutions of the essential role the finance sector must play to assist effective tobacco control and to encourage the transition towards tobacco-free finance policies.

The Commitment applies to all UniCredit business lines, and it was approved by the CEO. The process for monitoring it, is the same for all the sectors where UniCredit operates and it is detailed in UniCredit Group Reputational Risk Management Global Policy.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

### **Water infrastructure (Large Dams)**

The Sector regulation on Water infrastructure establishes standards and guidelines that address the risks associated to the Water Infrastructure sector. Specifically, this regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the "Reputational and ESG Risk Assessment", aimed at assessing the specific situation and characteristics of each water infrastructure-related subject or activity.

The specific provisions of Water Infrastructures (Large Dams) apply to prospective or active corporate customers who operate as owners or operators of Large Dams, and to any specific purposes/transaction financing or supports, irrespective of the subject, when related to engineering, construction, maintenance, expansion, upgrading, refurbishment, and decommissioning works of Large Dams and related infrastructure (e.g. hydropower plant), ancillary services, key components and equipment.

UCG is aware of the importance of the water industry and related activities which, if not managed in a responsible way, can have adverse impacts on the biodiversity, environment and on involved communities. The sector relevance is even more important in the current context, where climate change remains one of the biggest threats facing the planet, and for the relevant contribution to the Net-Zero targets achievement to which UniCredit is strongly committed. Therefore, large dams and hydropower plants could play a key role in the energy transition path.

Guidelines of sensitive sectors policies are approved by UniCredit Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to UniCredit Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

#### Statement of Natural Capital and Biodiversity

The statement illustrates UniCredit's commitment towards Natural Capital and Biodiversity preservation. It represents our first comprehensive Natural Capital framework in which biodiversity and climate issues are interrelated: we are committed to protecting natural capital by delivering sustainable financing solutions to clients and reducing the environmental impacts of our direct operations. Avoid operations in areas protected for biodiversity conservation purpose as well as combat deforestation and forest degradation are fundamental principles for UniCredit Group.

The Statement has been developed considering the point of view of stakeholders such as regulators, investors, civil society, NGOs, and it is based on the following internationally recognized standards and initiatives:

- Equator Principles
- International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability –
- World Bank Group Environmental, Health and Safety (EHS) Guidelines
- Finance for Biodiversity Pledge (FfBP).

The document represents a positioning paper on the topics of natural capital and biodiversity, and it is published on our institutional website.

Locally implemented through UCB CZSK internal policy Reputational Risk Management in Sensitive Sectors.

#### ESG Product Guidelines

The ESG Product Guidelines, applicable since end 2022, aim at establishing a consistent and comprehensive methodology for the classification and reporting of UniCredit's ESG offering and at preventing the related risks of green washing and social washing.

The ESG product guidelines are based on external regulations:

- EU Taxonomy (Regulation 2020/852) and available Delegated Acts;
- International Capital Market Association (ICMA): Green Bond Principles 2021, Sustainability Bond Guidelines 2021, Social Bond Principles 2023, Sustainability Linked Bond Principles 2024, Climate Transition Finance Handbook 2023;
- Guidelines ISDA 2021 on Sustainability-Linked Derivatives;
- Loan Market Association (LMA): Green Loan Principles 2023, Social Loan Principles 2023, Sustainability Linked Loan;
- Platform on Sustainable Finance: Transition Finance report 2022;
- EU Transition Finance Recommendation, 2023;
- EU Sustainable Finance Disclosure Regulation 2019/2088 (SFDR);
- Directive 2014/65/EU - MiFID 2;
- European Securities and Markets Authority (ESMA): Guidelines on funds' names using ESG or sustainability-related terms 2024.

The perimeter of application covers all UniCredit Group's legal entities and business lines: lending products, bonds, investment, hedging, capital market, transactional and insurance products. The ESG Product Guidelines are approved by UniCredit Group Non-Financial Risks and Controls Committee at UniCredit Group Level, and each legal entity is responsible for the policy implementation at local level. Specifically, each legal entity is made responsible to set up specific processes for the verification of the ESG features of deals and products. Moreover, the central ESG function supports the legal entities in structuring deals compliant with market standards and guidelines, performing ex-post checks on a periodical basis on new deals (social/green/transitional/ESG linked).

The policy is meant for internal use and an abstract is also available on the institutional website.

Locally implemented through UCB CZSK internal policy ESG Product Guidelines.

#### Human Rights Commitment

The Human Rights Commitment outlines UniCredit's dedication to upholding human rights across its key stakeholder groups, including employees, customers, suppliers, and communities. This document summarizes the roles and responsibilities as well as the principles, rules, procedures and systems adopted by UniCredit to comply with generally accepted international and local standards and regulations for preventing, managing and, where possible, reducing human rights impacts.

Grounded in international standards and conventions, this commitment contributes to equal opportunities, secure and quality employment, and the promotion of adequate wages, supported by social dialogue and collective bargaining. It also enhances employee well-being through dedicated

activities and fosters skill development through training and professional growth programmes. Opportunities include positioning UniCredit as an employer of choice, improving employee performance with forward-thinking training, and ensuring transparent performance reviews and career development plans.

UniCredit's Human Rights Commitment leverages on and respects:

- the Universal Declaration of Human Rights
- the International Covenant on Civil and Political Rights
- the International Covenant on Economic, Social and Cultural Rights
- the International Labour Organization's (ILO) Fundamental Human Rights conventions (29, 87, 98, 100, 105, 111, 138 and 182)
- the UN Guiding Principles on Business and Human Rights
- the OECD Guidelines for Multinational Enterprises
- the UN Global Compact principles
- the UN Principles for Responsible Investment
- the International Finance Corporation (IFC) Performance Standards
- the World Bank Group Environmental, Health and Safety (EHS) Guidelines
- the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking
- the Equator Principles (EP)
- the Women's Empowerment Principles
- the UN Declaration on the Rights of Indigenous Peoples
- the Declaration on Human Rights Defenders.

The Commitment applies to all UniCredit Group, while sole legal entities may develop local specific human rights best practices which can be disseminated across UniCredit Group, with a view to promoting continuous improvement.

The current version of the Human Rights Commitment was approved by UniCredit Group Non Financial Risk Committee chaired by UniCredit Group CEO in June 2024. The monitoring of the effectiveness of the Human Rights Commitment leverages on existing processes detailed in other UniCredit Group's policies and managed by the related functions (for example, UniCredit Group Reputational Risk Management Global Policy, the Whistleblowing Global Policy, the Global Policy against harassment, sexual misconduct, bullying and retaliation).

The Commitment is communicated to all employees through various internal initiatives that include, among others, internal communication and news on local intranets. The Commitment is also published on UniCredit Group website. In addition, the relevant internal and external stakeholders will be informed about the Human Rights Commitment to collect their feedback and thus consider their expectations in reviewing our improvement plan.

Locally implemented through UCB CZSK internal policies on Code of Conduct and Whistleblowing Policy.

### **Diversity, Equity and Inclusion Global Policy**

The objective of the Diversity, Equity and Inclusion Global Policy is to set out the principles by which UniCredit enhances inclusion throughout the whole organisation, aiming to ensure that our policies, procedures, and behaviours promote Diversity, Equity and Inclusion and create an environment where individual differences are valued.

The Diversity, Equity, and Inclusion Global Policy positively impacts UniCredit by fostering equal opportunities, securing employment, and enhancing employee well-being through dedicated benefits and a healthy work environment. The policy also ensures respect for diversity, advancing an inclusive corporate climate through initiatives that actively prevent discrimination. Key opportunities include becoming an employer of choice by cultivating a flexible, inclusive culture and improving employee performance through forward-looking training programmes.

This Policy is aligned with all applicable international, national, and local laws and regulations, and it applies to behaviours internally and externally in all Legal Entities and to all Employees of UniCredit Group. All UniCredit employees play an active role and are responsible for its application while specific functions play key roles in the process, as outlined.

Although UniCredit Group cannot control the conduct of Third Parties, it does not condone behaviours not aligned with the principles of this Policy and will adopt any appropriate consequence management.

UniCredit will measure and communicate progress towards UniCredit Group Diversity, Equity and Inclusion Strategy through the disclosure of relevant data, commitments and initiatives leveraging the Sustainability Statements and the Annual Diversity, Equity and Inclusion Report, available both internally and externally.

Locally implemented through internal policies on Code of Conduct and Employee Recruitment Process.

### **UniCredit Group Remuneration Policy**

UniCredit Group Remuneration Policy defines the principles and standards which UniCredit applies in designing, implementing and monitoring UniCredit Group compensation practices, plans and systems. The Policy aligns with UniCredit's long-term strategy and commitment to sustainability by ensuring compensation is linked to risk-adjusted performance and discourages excessive risk-taking, including in the context of sustainability risks. This policy positively impacts the promotion of equal opportunities, quality employment, and fair compensation, further reinforced through social



dialogue and collective bargaining. Opportunities arising from this policy include strengthening UniCredit's position as an employer of choice, promoting diversity, fostering an inclusive culture, and offering flexible work-life balance solutions that meet evolving employee needs.

The principles of UniCredit Group Remuneration Policy are valid across the entire organisation and shall be reflected in the remuneration practices applying to employee categories across businesses, including staff belonging to external distribution networks, considering their remuneration peculiarities. In compliance with Group Remuneration Policy and local regulation, Legal Entities, countries, and divisions apply the compensation framework for all employees. Furthermore, the elements of the Policy are fully applied across the entire Material Risk Taker population, with local adaptations based on specific regulations and/or business specifics, consistent with the overall UniCredit Group approach.

On an annual basis, Group Remuneration Policy, as proposed by the Remuneration Committee, is defined by the Board of Directors, and then presented to the shareholders' Annual General Meeting for approval, in line with regulatory requirements.

Locally implemented through UCB CZSK local policy Group Remuneration Policy – localization for UCB CZSK.

### **People and Culture Policy Framework**

This People and Culture Framework is meant as a central reference to all People and Culture Global Rules, plans, programmes, processes of UniCredit SpA and of its UniCredit Group's Legal Entities and Foreign Branches; a new, updated version will be soon available. It provides a framework to ensure that People & Culture management is performed consistently across UniCredit Group and to create the conditions for which all persons can have the needed professional skills for the exercise of the responsibilities attributed to them. The People and Culture Policy Framework establishes a unified approach to managing human resources across UniCredit Group, ensuring consistency in practices, processes, and programmes. It aims to equip all employees with the necessary skills and competencies to fulfil their responsibilities effectively, aligning with the Company's strategic goals. This internal framework also ensures compliance with regulatory requirements, promoting a culture of professionalism and accountability across the organisation.

There is no local equivalent of the People and Culture Policy Framework Policy, in UCB CZSK we are following the rules and standards set by the Global Policy as this document is meant as a central reference to all People & Culture divisions and functions within UniCredit Group. It provides a framework to ensure that People and Culture management is performed consistently in the accordance with the standards set in Group Policy.

### **Recruiting Process**

The Recruiting Process Regulation aims to establish a structured framework for UniCredit Group's recruitment and selection processes, promoting transparency and consistency across all hiring practices. It ensures compliance with relevant labour laws and regulations while aligning with the Company's core values and Code of Conduct. By fostering a fair and unbiased recruitment process, the regulation guarantees that all candidates are treated with respect and given equal opportunity based on their skills and qualifications, thereby upholding the integrity and ethical standards of UniCredit Group.

The Recruiting Process Regulation is intended for internal use, and UniCredit Group People & Culture functions and Line Managers are responsible for its implementation.

Locally implemented through UCB CZSK local policy Employee Recruitment Process.

### **Training and Education Guidelines**

The Training and Education Guidelines are meant as a central reference to all People & Culture Global Rules, plans, programmes and processes of UniCredit S.p.A. and they will be soon extended to UniCredit Group's legal entities. It provides a framework aligned with external regulation requirements set out in Banca d'Italia's clarification notes to Circular 285, with the objective to ensure that People & Culture management is performed consistently across the company and to create the conditions for which all persons can have the needed professional skills for the exercise of the responsibilities attributed to them.

The policy is published in our dedicated intranet. Actors involved in the review/sharing/validation process have been actively and promptly involved in the setting of the policy.

Education is covered by two UCB CZSK local policies: on Education as a whole and on Requalification.

### **Global Policy against harassment, sexual misconduct, bullying and retaliation.**

The Policy, aligned with the Universal Declaration of Human Rights, and UniCredit Group's values, outlines UniCredit's commitment to fostering a respectful and professional workplace free from harassment, sexual misconduct, bullying, and retaliation. The intention of this Policy is the prevention, detection, enforcement, and ongoing monitoring of harassment, bullying, sexual misconduct and retaliation, including by providing support for individuals who report (both Employees and Third Parties) and protecting them from retaliation. The Policy upholds equal treatment and dignity for all, ensuring a safe work environment where any behaviour undermining these principles is not tolerated, while emphasising the need for employees to be mindful of how their actions may be perceived.



The policy, published on our website, applies to behaviours internally and externally in all UniCredit Group legal entities and to all employees of UniCredit Group, and it has positive impacts for the workplace by promoting specific initiatives for diversity and fostering an inclusive working environment. It increases opportunities for UniCredit to be seen as an attractive employer, confirming diversity and inclusion as central principles.

Implemented into the UCB CZSK internal policies on Code of Conduct and on Whistleblowing Policy.

#### **Statement on Modern Slavery Act and Human Trafficking**

UniCredit statement demonstrates its commitment on promoting the respect for human rights, and it must be read in conjunction with human rights commitment. Specifically, the statement describes the measures taken by UniCredit to mitigate the risk of slavery and human trafficking, within our businesses or our supply chain, in accordance with section 54 of the United Kingdom's Modern Slavery Act 2015, the International Labour Organization's (ILO) Fundamental Human Rights Conventions, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the UN Guiding Principles on Business and Human Rights, the UNEP FI Principles for Responsible Banking.

UniCredit has been publishing this statement every year since 2016 covering the following contents: UniCredit Group's commitment to international norms; internal policies to ensure employees act with integrity; measures to ensure business and supply chains are slavery and human trafficking free; trainings available to employees to raise awareness on human rights. In UniCredit, suppliers and contractors must meet certain minimum requirements and are subject to appropriate review and assessment, both prior to being engaged and on an ongoing basis.

The last statement has been approved by the Board of Directors and signed by the CEO in June 2024, and it applies to those UniCredit Group companies (UniCredit S.p.A., UniCredit Bank AG) that are required to have a modern slavery statement.

Locally implemented into the UCB CZSK internal policies Code of Conduct and into Operations Back Office Incident Management.

#### **UniCredit Group Policy – Privacy**

UniCredit Global Policy 'Privacy' aims at assuring a homogeneous approach at UniCredit Group level among all Legal Entities for the protection of personal data of individuals, both employees and clients. UniCredit Group guidelines and principles are intended for internal use as they represent the framework adopted for compliance with EU General Data Protection Regulation n. 2016/679 and local regulations and that, through advisory to business, monitoring and education, aims at making UniCredit Group a reliable counterpart for our customers and stakeholders in assuring utmost commitment in protecting their personal data. Specifically, it is the Data Controller, through its delegated functions according to their scope of responsibility, who is accountable to comply with privacy/data protection requirements supported by Data Protection Officer advice.

This Policy is addressed to all UniCredit Group Legal Entities.

#### **Customer Protection rules**

The Customer Protection rules relating to the offer of banking products and services define principles and standards for managing the obligations arising from the regulatory requirements set forth in the external sectorial regulations. Specifically, the regulatory requirements refer to:

- Consumer Credit Directive – Directive 2008/48/EC
- Mortgage Credit Directive – Directive 2014/17/EU
- Payment Accounts Directive – Directive 2014/92/EU
- Payment Services Directive “PSD2” – Directive 2015/2366/EU only for the part relating to banking transparency requirements
- Deposit Guarantee Schemes Directive – Directive 2014/49/ EU
- Guidelines on product oversight and governance arrangements for retail banking products, EBA-GL-2015.

The relevant Policy and related internal regulations are approved by UniCredit Group Compliance Officer, and apply to all UniCredit Group companies which offer banking products and services in the scope of the external regulations mentioned above, of any technical form, to any target customers (consumers, businesses, etc.), and by any means of offering (at the physical branch/on-site, at a distance - e.g. online, app, by phone, off-site). As for any other internal rules in the bank, the implementation is monitored through intranet tools and processes.

Locally implemented into the UCB CZSK internal policies Protection of Personal Data and Banking Secrecy and into Data Protection Officer.

#### **Code of Conduct**

The code of conduct is available on our website. In line with corporate culture and values (Caring, Ownership, Integrity), the code of conduct entails principles which all employees and partnering third parties of UniCredit must comply with, to ensure high standards of professional conduct and integrity related to their activity in, or on behalf of UniCredit. This code provides general principles of conduct about key compliance risk (i.e., client interest protection, antitrust, market integrity, anti-money laundering and counter-terrorist financing, financial sanctions, anti-bribery and anti-corruption, data protection), which are periodically monitored by respective functions.

The Code of Conduct is approved by Board of Directors and applies to all UniCredit's legal entities. The Board of Directors of UniCredit, the Chief Executive Officer, as well as the rest of the Top Management of UniCredit SpA and UniCredit Group Legal Entities are responsible for creating a

general culture of risk management in the organization and ensuring the oversight of the desired conduct. In this regard, they play an active role to enforce the behavioral standards described in this policy.

Locally implemented into the internal policies Code of Conduct and into Whistleblowing Policy.

### **UniCredit Group Tax Strategy Policy**

UniCredit Group complies, in form and substance, with all domestic, international or supranational tax laws, regulations and practices, and cooperates with full transparency with the Tax Authorities of all jurisdictions where it operates. In particular, the goal of UniCredit Group is to pay all taxes due and promptly implement all obligations required by applicable tax laws; and at the same time, maintain UniCredit Group's global tax efficiency, avoiding double taxation.

UniCredit Group also seeks to establish good and cooperative relationships and dialogue with the Tax Authorities in the various countries in which it conducts business. UniCredit SpA in fact, has joined the Italian Tax Cooperative Compliance Regime since 2016.

In addition, given the complexity of tax law, to ensure the achievement of such objectives, UniCredit Group has adopted a comprehensive monitoring system to verify that its tax obligations are complied with on time and in full.

The Tax Strategy Policy is approved by the Board of Directors, and it is brought to the attention of all the companies in UniCredit Group, also through its availability on UniCredit Group Intranet and Internet website. The Policy is subject to periodic review by UniCredit's internal experts on tax and compliance. In particular, the Tax Function is in charge of the Tax Strategy Policy implementation and update.

Locally implemented through UCB CZSK local policy Tax Agenda Management in the Bank.

### **Whistleblowing Procedure**

The principal object of the Whistleblowing procedure is to guarantee the protection of the whistleblowers who report misconduct referred or impacted on the working environment, and to ensure the absence of retaliation, in line with the European Whistleblowing Directive 1937/2019.

The purpose of this rule is to promote a corporate environment where employees and third parties are encouraged to report unacceptable conduct (through the defined adequate communication channels) within UniCredit Group as a valuable contribution to self-correction and excellence. Unacceptable Conduct refers to any action and/or omission in a work-related context or impacting it, that is or could be harmful to or jeopardise UniCredit Group and/or its Employees, including conduct that is:

- Illegal, unfair or unethical;
- A breach of laws and regulations, including but not limited to EU Union laws; or
- A failure to comply with internal rules.

UniCredit Group respects – and all Employees and all Third Parties are required to respect – all applicable international, national, and local laws and regulations. There may be countries where UniCredit Group's standards and requirements may exceed the requirements of that jurisdiction. Also, this policy, approved by the CEO, should be read in conjunction with the “Global Policy – Code of Conduct” and the “Global Policy – against Harassment, Sexual Misconduct, Bullying and Retaliation”, as implemented in each Legal Entity. The Policy is available on website.

Locally implemented into the UCB CZSK internal policy Compliance Reporting Obligations and Whistleblower Protection.

### **Global-Policy on Anti-Bribery-and-Anti-Corruption**

UniCredit Group has adopted a regulation which demonstrates adherence to the values of integrity, transparency and accountability and promotes a culture of respect for which corruption is never acceptable. The Global Policy Anti-Bribery and Anti-Corruption aims to:

- articulate UniCredit Group's commitment to prohibiting bribery and corruption;
- define principles for identifying and preventing potential bribery and corruption;
- communicate anti-bribery and anti-corruption principles both to internal and external stakeholders;
- provide a framework for a UniCredit Group-wide Anti-Corruption Programme.

The Policy also covers external regulation requirements: UK Bribery Act, Foreign Corrupt Practices Act, SAPIN II, and OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

The Policy, available on the website, was approved by the CEO, and it is addressed to all UniCredit Group Legal Entities and applies to all members of strategic, control and executive bodies, employees, tied agents (e.g., financial advisors) and temporary employees of UniCredit, and across all UniCredit Group business activities, and shall be applied in compliance with legal requirements and regulations locally in force. In case local legal

requirements are more restrictive than the principles of this policy, the more restrictive requirements of local laws in force are to be adopted by the respective UniCredit Group Legal Entities.

Locally implemented into the UCB CZSK internal policies Anti-Corruption Policy and into Compliance Reporting Obligations and Whistleblower Protection.

#### **Anti-fraud Policy**

The objective of the Anti-fraud Policy is to ensure that the internal and external fraud risks are adequately identified, understood, and assessed. Specifically, the purpose of this document is to define the fraud management system that each Legal Entity of UniCredit Group is requested to implement, in order to establish a proactive environment to effectively deal with the present fraud risks with the aim of protecting its assets; and the main roles and responsibilities of the functions involved in the fraud governance process.

This policy also covers requirements from the European directive (EU) 2015/2366 and it is directly applicable to UniCredit SpA and addressed to all the Legal Entities of UniCredit Group. UniCredit Group Security is responsible for its implementation.

Locally implemented into local policy Fraud Management.

#### **Supplier qualification process**

Aligned with International Labour Organization's (ILO) Fundamental Human Rights Conventions and the UN Global Compact principles, the Supplier qualification process defines the criteria and methods of third-party screening prior to the involvement of the supplier in a possible sourcing action for the purchase of goods/services as part of the activities managed by Procurement. The qualification of suppliers allows to:

- Identify adequate suppliers based on compliance, sustainability and economic-financial criteria in line with UniCredit Group's policies and guidelines;
- Manage risks associated with third parties (e.g. corruption risk, reputational risks, economic risks, etc.) by excluding suppliers who have not succeeded in the qualification process;
- Promote, to suppliers, ethical principles and policies in sustainability;
- Arrange from time to time a list of successful suppliers in the qualification process that can be used for sourcing activities managed by Procurement structures.

The supplier qualification process is performed when the negotiation and purchase of goods/services are carried out centrally by UniCredit Group Procurement, which is the responsible function: not all UniCredit Group purchases are handled by Procurement, as there are purchase categories and/or thresholds managed outside of Procurement.

The screening on suppliers is based on risk scores provided by external risk info-providers and on other specific controls acted by Procurement and/or Compliance to verify mainly anti-corruption aspects and negative news. When risk scores are unavailable from info-providers the supplier evaluation is based, by exception, on supplier's questionnaires, which also take into consideration environmental and social aspects. The supplier qualification must be periodically reviewed. In any case, a monitoring functionality, able to notify risk-related incidents or changing in the Risk Scores, is in place.

Locally implemented through UCB CZSK internal policy Fraudulent Conduct.

#### **Expenditure Regulation**

This global policy has the purpose to define principles and minimum requirements necessary to manage expenditures and investments, from demand to pay.

This Policy applies to all disbursements incurred to perform activities in all legal entities of UniCredit Group, classified in expenditures and investments according to the following:

- Expenditures are all disbursements linked to the procurement of goods and services that have economic impact on P&L
- Investments are related to the procurement of goods and services that are long-term and have a multi-year utility.

The functions involved in the process disciplined by such Policy are:

- UniCredit Group Cost Management, in charge of steering the expenditure approval process at UniCredit Group level, monitoring the evolution of UniCredit Group and UniCredit S.p.A. NHR costs, managing the ICT demand process at UniCredit Group level and the activities related to UniCredit Group Projects & Expenses Committee ("PEC")
- UniCredit Group Procurement, in charge of managing centrally the purchases of goods and services for UniCredit Group in order to achieve cost optimization.

Locally implemented into the UCB CZSK internal policy Management of Non-personnel Costs and Investments.

## List of disclosure requirements complied with

Through the DMA process, key topics, sub-topics and sub-sub topics were identified, and based on these (sub-) sub-topics, material aspects were determined for each IRO. Specific information and detailed Data Points (DPs) to report were then selected and disclosed accordingly. Therefore, only the DPs related to material PATs (policies, actions, and targets) and metrics associated with the identified (sub-)sub-topics are reported. The following sections (ESG) reflect the double materiality results through the material information that the Group will be disclose in the Sustainability Statement 2024.

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		Communities' economic, social and cultural rights - adequate food	ESRS 2 SBM-2 Interests and views of stakeholders	246
			ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	248
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			ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	258
			G1-1 Business conduct policies and corporate culture	400
		Protection of whistle blowers	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	236
			ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	258
			G1-1 Business conduct policies and corporate culture	400
		Management of relationships with suppliers including payment practices	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	236
			ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	258
			G1-1 Business conduct policies and corporate culture	400
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			G1-3 Prevention and detection of corruption and bribery	403
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## Table of all the datapoints deriving from other EU legislation

### IRO-2 Par. 56 - DPs that derive from other EU legislation

DISCLOSURE REQUIREMENT AND RELATED DATAPPOINT	MATERIAL/NOT MATERIAL	PARAGRAPH
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)		
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)		
ESRS 2 GOV-4 Statement on due diligence paragraph 30		
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i		
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii		
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii		
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv		
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	material	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	material	
ESRS E1-4 GHG emission reduction targets paragraph 34	material	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	material	
ESRS E1-5 Energy consumption and mix paragraph 37	material	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	material	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	material	
ESRS E1-7 GHG removals and carbon credits paragraph 56	material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	material	subject to phase in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	material	subject to phase in
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	material	subject to phase in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	material	subject to phase in
ESRS E1-9 Degree of exposure of the portfolio climate-relate to opportunities paragraph 69	material	subject to phase in
ESRS E2-4 Amount of each pollutant listed in Annex E-PRT II of the Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	not material	
ESRS E3-1 Water and marine resources paragraph 9	material (only water)	
ESRS E3-1 Dedicated policy paragraph 13	material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	not material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	not material	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	not material	
ESRS 2- SBM-3 - E4 paragraph 16 (a) i	material	
ESRS 2- SBM-3 - E4 paragraph 16 (b)	material	
ESRS 2- SBM-3 - E4 paragraph 16 (c)	material	
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	not material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	not material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	not material	
ESRS S1-1 Human rights policy commitments paragraph 20	material	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	material	



continued: IRO-2 Par. 56 - DPs that derive from other EU legislation

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	MATERIAL/NOT MATERIAL	PARAGRAPH
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	not material	
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	not material	
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	not material	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	not material	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	material	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	material	
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	material	
ESRS S1-17 Non-respec of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	material	
ESRS 2- SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	material	
ESRS S2-1 Human rights policy commitments paragraph 17	material	
ESRS S2-1 Policies related to value chain workers paragraph 18	material	
ESRS S2-1 Non-respec of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	material	
ESRS S3-1 Human rights policy commitments paragraph 16	material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	material	
ESRS S3-4 Human rights issues and incidents paragraph 36	material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	material	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	material	
ESRS S4-4 Human rights issues and incidents paragraph 35	material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	material	
ESRS G1-1 Protection whistle-blower of paragraph 10 (d)	material	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	material	
ESRS G1-4 Standards anti-corruptio of and anti- bribery paragraph 24 (b)	material	



# Environmental information

# Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)

## Introduction

The following tables display the disclosure obligations under Article 8 of the Disclosures Delegated Act supplementing the EU Taxonomy Regulation (2020/852), which requires financial companies to report Taxonomy eligibility and alignment's key performance indicators (KPIs), starting for calendar year 2023. The disclosure is intended to provide transparency on sustainability and facilitate the transition towards a low-carbon economy. In particular, Article 8 of the Regulation requires undertakings covered by the Non-Financial Reporting Directive (NFRD) 2014/95/EU to publish information on how and to what extent their economic activities qualify as environmentally sustainable under the Taxonomy Regulation. The result is presented through the green asset ratio (GAR), that is the exposures to activities that are Taxonomy aligned (numerator) divided by total covered assets (denominator).

As of today, for the GAR calculation, actual data disclosed by counterparties are necessary to assess banks' Taxonomy-related KPIs for financial and non-financial undertakings. This means that undertakings that are not covered by mandatory non-financial disclosure are excluded, and the data gap is reflected on the bank's ratio. Due to technical limitation following tables contain data only for the parent company of the Group, i.e. UniCredit Bank Czech Republic and Slovakia. The difference between value of total assets gross carrying amount at individual basis and consolidated basis is 1,0% and thus not significant.

At the end of 2024, the turnover based GAR KPI is 0,28%, which is the proportion of assets financing taxonomy aligned sectors (MCZK 1 830) in relation to total GAR assets (MCZK 649 579), and the CapEX-based KPI is 0,54% (MCZK 3 510 million). Taxonomy aligned assets are mainly attributable to exposures that contribute to achieving the climate change mitigation target.

## Our calculation approach

In accordance with the templates provided by Regulation, for the calculation of the GAR KPIs, we have differentiated the portfolio by assets and applied different calculation approaches, where required. We have only included undertakings subject to NFRD with mandatory disclosures, excluding exposures to central governments, central banks, and supranational issuers. Information related to the use of proceeds is not published within the framework of the Article 8 Taxonomy templates. Therefore, the sole counterparty KPIs are taken into account to define eligibility and alignment. In details, below a description of the applied approach.

**Financial Corporations, Non-Financial Corporations, and Financial Guarantees:** the Taxonomy KPIs consist in the weighted average of financing activities and the proportion of Taxonomy-aligned economic activities of the counterparty. The collection of reports disclosed by our counterparties, according to the NFRD, was done with the support of an external provider.

- i) When identifying NFRD counterparties, we have included all corporations which by themselves or indirectly fulfil criteria of the mandatory NFRD requirements. Moreover, when a counterparty has contributed to the parent's reported KPIs, we have included the value for the counterparty by using the KPIs of the parent company.
- ii) We encountered cases where a counterparty, in its NFRD disclosure, did not report the breakdown of its Taxonomy KPIs climate among change mitigation ("CCM") and climate change adaptation ("CCA"). In that case, for our disclosure, we have decided to include the KPIs in the TOTAL columns ("TOTAL CCM + CCA + Water and marine resources ("WTR") + Circular economy ("CE") + Pollution ("PPC") + Biodiversity ("BIO")). Therefore, the values in the total columns might be greater than the sum of the single components.

**Loan collateralised to households:** we focused on the "Acquisition" perimeter under Delegated Regulation 2021/2139; (excluding the "Renovation" perimeter under Delegated Regulation 2021/2139, and "Motor vehicles" due to a lack of specific information related to the identification of "green loans"; "Motor vehicles to households" are not provided at the level of the parent company of the Group, i.e. UniCredit Bank Czech Republic and Slovakia).

- i) For this portfolio, we identified the share of "green loans" by applying the criteria of the afore mentioned Regulation - that is, we consider the best performance buildings with punctual Energy Performance Contract (EPC) and Positive Energy Districts (PED) data for Eligibility KPIs.
- ii) For the analysis of Alignment KPIs, we have considered the assets build before 31 December 2020 with a documented EPC = A. We only consider documented EPC (adequate/punctual documentation), therefore using a conservative approach. For assets built after 31 December 2020, we have applied the NZEB<sup>1</sup> approach. We have collected data for NZEB through an external data provider.
- iii) The calculation approach also integrates the analysis of physical risks in the Do Not Significant Harm (DNSH) assessment, which is aligned with the thresholds and climate data used for the Pillar 3 Template 5 disclosure - "Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk (Group)". We have not included adaptation plans or other types of mitigating actions, therefore applying a conservative approach.

**Asset Under Management (AuM):** the reporting perimeter of the AuM KPIs is based on the volumes of collective investment funds. The numerator is calculated as a weighted average of the proportion of Taxonomy-aligned economic activities at an aggregated portfolio level, over total investments. The collection of the portfolio aggregated KPIs, which are the results of calculations performed on underlying holdings' actual KPIs available to the market, was collected through an external provider.

<sup>1</sup> Nearly Zero Energy Building

i) The total value of AuM includes all types of asset class funds, while the 'of which' only includes debt and equity respectively as classified by our external data provider (e.g. commodities are not classified). This means that the total value of AuM might be greater than the sum of the 'of which debts' and 'of which equity' single components.

**New Business:** the flow has been calculated as a delta stock approach at transaction level, between T (31 December 2024) and T-1 (31 December 2023), identifying only new transactions originated during this period.

**Additional disclosure on Nuclear and Gas related activities:** it has been disclosed the eligibility, non-eligibility, and alignment of nuclear energy and fossil gas related activities in accordance with Article 8(6), (7) and (8) of the amended Disclosures Delegated Act as of 1 January 2023. The nuclear energy and fossil gas-related activities' KPIs have been computed by using the most recently available data and key performance indicators of our non-financial corporations' counterparties, therefore only considering undertakings subject to NFRD.

Please note that

- the total gross carrying amounts in the following tables does not include amounts of impairment,
- the total gross carrying amount for the line 7 Other financial corporation includes also Other financial corporations (mainly loans and advances) not included in the table,
- table 2 "GAR sector information - Turnover based" provides a breakdown of the sectors of financed NFRD non-financial undertakings. The individual columns indicate which environmental objective the exposures in each sector have been allocated to, further divided into eligible and aligned exposures. The sum of the individual columns might not reconcile with the reported values in row 20 of the table 1 "Assets for the calculation of GAR - Turnover based" as breakdown of the sectors were not available for particular counterparties.

## Annex VI – Template for the KPIs of credit institutions

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

(MCZK)					
MAIN KPI	TOTAL ENVIRONMENTALLY SUSTAINABLE ASSETS	KPI TURNOVER BASED	COVERAGE OVER TOTAL ASSETS	% 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)
				KPI CAPEX BASED	66,26%
Green Assets Ratio (GAR) stock	1 830	0,28%	0,54%		
ADDITIONAL KPI	TOTAL ENVIRONMENTALLY SUSTAINABLE ASSETS	KPI TURNOVER BASED	COVERAGE OVER TOTAL ASSETS	% 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)
				KPI CAPEX BASED	13,11%
GAR flow	680	0,57%	1,00%		
Trading book	-	-	-		
Financial Guarantees	31	3,73%	7,58%		
Assets Under Management	595	7,65%	11,54%		
Fees and commissions income	-	-	-		

# 1 Assets for the calculation of GAR - CapEx based

31.12.2024														(MCZK)	
a	b	c	d	e	f	g	h	i	j	k	l	m	n		
CLIMATE CHANGE MITIGATION (COM)															
TOTAL GROSS CARRYING AMOUNT	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			CLIMATE CHANGE ADAPTATION (CCA)			WATER AND MARINE RESOURCES (WTR)								
	OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ELIGIBLE)			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ELIGIBLE)			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ELIGIBLE)		
	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
<b>GAR - Covered assets in both numerator and denominator</b>															
Loans and advances, debt securities and equity instruments not HT eligible for GAR calculation	181 632	170 213	3 503	-	286	2 737	2	2	-	-	-	48	5	-	-
<b>Financial undertaking</b>	<b>8 740</b>	<b>7 869</b>	<b>2 043</b>	<b>-</b>	<b>1</b>	<b>1 924</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Credit institutions	465	121	4	-	0	1	0	0	-	-	-	-	-	-	-
Loans and advances	465	121	4	-	0	1	0	0	-	-	-	-	-	-	-
Debt securities, including LoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	0	0	0	-	0	0	-	-	-	-	-	-	-	-	-
Other Financial corporation	8 275	7 869	2 039	-	0	1 923	-	-	-	-	-	-	-	-	-
Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including LoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which: management companies	0	-	0	-	-	0	-	-	-	-	-	-	-	-	-
Loans and advances	0	-	0	-	-	0	-	-	-	-	-	-	-	-	-
Debt securities, including LoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which: insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including LoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Financial undertakings</b>	<b>11 613</b>	<b>2 454</b>	<b>1 427</b>	<b>-</b>	<b>252</b>	<b>813</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>48</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loans and advances	10 000	1 273	346	-	52	99	2	2	-	-	3	0	-	-	-
Debt securities, including LoP	1 613	1 180	1 080	-	200	714	-	-	-	-	45	5	-	-	-
Equity instruments	0	0	0	-	0	0	-	-	-	-	0	-	-	-	-
<b>Households</b>	<b>161 277</b>	<b>159 770</b>	<b>34</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Of which: loans collateralised by residential immovable property	167 816	156 309	34	-	34	-	-	-	-	-	-	-	-	-	-
Of which: building renovation loans	3 462	3 462	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which: motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Local governments financing</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing financing	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(MCZK)

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continued: 1 Assets for the calculation of GAR - CapEx based

31.12.2024																(MCZK)	
a	b	c	d	e	f	g	h	i	j	k	l	m	n				
CLIMATE CHANGE MITIGATION (CCM)																WATER AND MARINE RESOURCES (WTR)	
TOTAL GROSS CARRYING AMOUNT	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH USE OF PROCEEDS		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH USE OF PROCEEDS		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		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 ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	OF WHICH ENABLING	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	467 946	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	Financial and Non-Financial undertaking	390 722	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	SMEs and NFOs (other than SMEs) not subject to NFRD disclosure obligations	270 187	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
35	Loans and advances	268 375	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
36	of which: loans collateralised by commercial immovable property	104 557	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
37	of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
38	Debt securities	1 807	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
39	Equity instruments	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	627	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
41	Loans and advances	627	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
44	Derivatives	10 937	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
45	On demand interbank loans	2 965	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
46	Cash and cash-related assets	3 645	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
47	Other categories of assets (e.g. Goodwill, commodities etc.)	59 677	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
48	Total GAR assets	649 579	170 213	3 503	286	2 737	2	2	-	48	5	-	-	-	-	-	
49	Assets not covered for GAR calculation	330 834	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
50	Central governments and supranational issuers	98 418	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
51	Central banks exposure	206 976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52	Trading book	25 440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
53	Total assets	980 413	170 213	3 503	286	2 737	2	2	-	48	5	-	-	-	-	-	
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																	
54	Financial guarantees	831	310	63	15	36	-	-	-	-	-	-	-	-	-	-	
55	Assets under management	7 777	1 919	887	53	422	111	30	14	17	-	-	-	-	-	-	
56	of which: debt securities	2 905	682	295	23	120	33	13	2	5	-	-	-	-	-	-	
	of which: equity instruments	3 204	631	341	14	193	54	10	8	8	-	-	-	-	-	-	

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continued: 1 Assets for the calculation of GAR - Turnover based

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o		p		q		r		s		t		u		v		w		x		z		aa		ab		ac		ad		ae		af																																																																																																																																																																																																																																													
CIRCULAR ECONOMY (CE) OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH USE OF PROCEEDS		ENABLING		POLLUTION (PPC) 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 ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)</	

continued: 1 Assets for the calculation of GAR - Turnover based

(MCZK)													
a	b	c	d	e	f	g	h	i	j	k	l	m	n
31.12.2024													
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 ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)	OF WHICH USE OF PROCEEDS	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)	OF WHICH USE OF PROCEEDS	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)	OF WHICH USE OF PROCEEDS	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)	OF WHICH USE OF PROCEEDS	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	467 946	-	-	-	-	-	-	-	-	-	-	-
33	Financial and Non-Financial undertaking	390 722	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	270 187	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	268 375	-	-	-	-	-	-	-	-	-	-	-
36	of which: loans collateralised by commercial immovable property	104 557	-	-	-	-	-	-	-	-	-	-	-
37	of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	1 807	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	6	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	627	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	627	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
44	Derivatives	10 937	-	-	-	-	-	-	-	-	-	-	-
45	On demand interbank loans	2 965	-	-	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	3 645	-	-	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	59 677	-	-	-	-	-	-	-	-	-	-	-
48	Total GAR assets	649 579	189 208	219	1 314	1	-	-	-	9	0	-	-
49	Assets not covered for GAR calculation	330 834	-	-	-	-	-	-	-	-	-	-	-
50	Central governments and supranational issuers	98 418	-	-	-	-	-	-	-	-	-	-	-
51	Central banks exposure	206 976	-	-	-	-	-	-	-	-	-	-	-
52	Trading book	25 440	-	-	-	-	-	-	-	-	-	-	-
53	Total assets	980 413	189 208	219	1 314	1	-	-	-	9	0	-	-
54	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	831	261	1	21	0	0	-	-	-	-	-	-
55	Financial guarantees	7 777	1 502	39	311	148	19	-	7	10	-	-	-
56	Assets under management	2 905	781	20	92	71	11	-	2	3	-	-	-
57	of which: debt securities	3 204	374	4	142	56	3	-	3	5	-	-	-

(MCZK)

(MCZK)

2 GAR sector information - Capex based

31.12.2024																		
a	b	e	f	i	j	m	n	q	r	u	v	y	z					
CLIMATE CHANGE MITIGATION (CCM)														TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)														NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				
GROSS CARRYING AMOUNT		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)						
GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT						
OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)						
BREAKDOWN BY SECTOR - NADE 4 DIGITS LEVEL (CODE AND LABEL)																		
1	A02.10	Silviculture and other forestry activities	-	-	-	-	-	-	-	-	-	-	-					
2	A02.20	Logging	-	-	-	-	-	-	-	-	-	-	-					
3	A02.30	Gathering of wild growing non-wood products	-	-	-	-	-	-	-	-	-	-	-					
4	A02.40	Support services to forestry	-	-	-	-	-	-	-	-	-	-	-					
5	C16.10	Sawmilling and planing of wood	-	-	-	-	-	-	-	-	-	-	-					
6	C16.21	Manufacture of veneer sheets and wood-based panels	-	-	-	-	-	-	-	-	-	-	-					
7	C16.22	Manufacture of assembled parquet floors	-	-	-	-	-	-	-	-	-	-	-					
8	C16.23	Manufacture of other builders' carpentry and joinery	-	-	-	-	-	-	-	-	-	-	-					
9	C16.24	Manufacture of wooden containers	-	-	-	-	-	-	-	-	-	-	-					
10	C16.29	Manufacture of other products of wood; manufacture of articles of cork, straw and plating materials	-	-	-	-	-	-	-	-	-	-	-					
11	C17.11	Manufacture of pulp	-	-	-	-	-	-	-	-	-	-	-					
12	C17.12	Manufacture of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-					
13	C17.21	Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-					
14	C17.22	Manufacture of household and sanitary goods and of toilet requisites	-	-	-	-	-	-	-	-	-	-	-					
15	C17.23	Manufacture of paper stationery	-	-	-	-	-	-	-	-	-	-	-					
16	C17.24	Manufacture of wallpaper	-	-	-	-	-	-	-	-	-	-	-					
17	C17.29	Manufacture of other articles of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-					
18	C20.11	Manufacture of industrial gases	-	-	-	-	-	-	-	-	-	-	-					
19	C20.13	Manufacture of other inorganic basic chemicals	-	-	-	-	-	-	-	-	-	-	-					
20	C20.14	Manufacture of other organic basic chemicals	-	-	-	-	-	-	-	-	-	-	-					
21	C20.15	Manufacture of fertilisers and nitrogen compounds	-	-	-	-	-	-	-	-	-	-	-					
22	C20.16	Manufacture of plastics in primary forms	-	-	-	-	-	-	-	-	-	-	-					
23	C22.11	Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	-	-	-	-	-	-	-	-	-	-	-					
24	C22.19	Manufacture of other rubber products	-	-	-	-	-	-	-	-	-	-	-					
25	C22.21	Manufacture of plastic plates, sheets, tubes and profiles	-	-	-	-	-	-	-	-	-	-	-					
26	C22.22	Manufacture of plastic packing goods	-	-	-	-	-	-	-	-	-	-	-					



continued: 2 GAR sector information - Capex based

31.12.2024																	(MCZK)
BROADBAND BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	a	b	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		z
			NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		
			GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)	
27	C22.23	Manufacture of builders ware of plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	C22.29	Manufacture of other plastic products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	C23.11	Manufacture of flat glass	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	C23.12	Shaping and processing of flat glass	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	C23.13	Manufacture of hollow glass	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	C23.14	Manufacture of glass fibres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	C23.19	Manufacture and processing of other glass, including technical glassware	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	C23.20	Manufacture of refractory products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	C23.31	Manufacture of ceramic tiles and flags	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	C23.32	Manufacture of bricks, tiles and construction products, in baked clay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	C23.41	Manufacture of ceramic household and ornamental articles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	C23.42	Manufacture of ceramic sanitary fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	C23.43	Manufacture of ceramic insulators and insulating fittings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	C23.44	Manufacture of other technical ceramic products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	C23.49	Manufacture of other ceramic products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	C23.51	Manufacture of cement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	C23.52	Manufacture of lime and plaster	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	C23.61	Manufacture of concrete products for construction purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	C23.62	Manufacture of plaster products for construction purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	C23.63	Manufacture of ready-mixed concrete	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	C23.64	Manufacture of mortars	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	C23.65	Manufacture of fibre cement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	C23.69	Manufacture of other articles of concrete, plaster and cement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	C23.70	Cutting, shaping and finishing of stone	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	C23.91	Production of abrasive products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Capex based

(MCZK)													
a	b	e	f	i	j	m	n	q	r	u	v	y	z
31.12.2024													
BREADKORBY SECTOR - NACE 4 DIGITS LEVEL CODE AND LABEL	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	
52	C23.99 Manufacture of other non-metallic mineral products	-	-	-	-	-	-	-	-	-	-	-	-
	n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-
53	C24.10 Manufacture of basic iron and steel and of ferro-alloys	-	-	-	-	-	-	-	-	-	-	-	-
54	C24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	-	-	-	-	-	-	-	-	-	-	-	-
55	C24.31 Cold drawing of bars	-	-	-	-	-	-	-	-	-	-	-	-
56	C24.32 Cold rolling of narrow strip	-	-	-	-	-	-	-	-	-	-	-	-
57	C24.33 Cold forming or folding	-	-	-	-	-	-	-	-	-	-	-	-
58	C24.34 Cold drawing of wire	-	-	-	-	-	-	-	-	-	-	-	-
59	C24.42 Aluminium production	-	-	-	-	-	-	-	-	-	-	-	-
60	C24.51 Casting of iron	-	-	-	-	-	-	-	-	-	-	-	-
61	C24.52 Casting of steel	-	-	-	-	-	-	-	-	-	-	-	-
62	C24.53 Casting of light metals	-	-	-	-	-	-	-	-	-	-	-	-
63	C25.11 Manufacture of metal structures and parts of structures	-	-	-	-	-	-	-	-	-	-	-	-
64	C25.12 Manufacture of doors and windows of metal	-	-	-	-	-	-	-	-	-	-	-	-
65	C25.21 Manufacture of central heating radiators and boilers	-	-	-	-	-	-	-	-	-	-	-	-
66	C25.29 Manufacture of other tanks, reservoirs and containers of metal	-	-	-	-	-	-	-	-	-	-	-	-
67	C25.30 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-	-	-	-	-	-	-	-	-
68	C25.40 Manufacture of weapons and ammunition	-	-	-	-	-	-	-	-	-	-	-	-
69	C25.50 Forging, pressing, stamping and re-forming of metal powder metallurgy	-	-	-	-	-	-	-	-	-	-	-	-
70	C25.61 Treatment and coating of metals	-	-	-	-	-	-	-	-	-	-	-	-
71	C25.62 Machining	-	-	-	-	-	-	-	-	-	-	-	-
72	C25.71 Manufacture of cutlery	-	-	-	-	-	-	-	-	-	-	-	-
73	C25.72 Manufacture of locks and hinges	-	-	-	-	-	-	-	-	-	-	-	-
74	C25.73 Manufacture of tools	-	-	-	-	-	-	-	-	-	-	-	-
75	C25.91 Manufacture of steel drums and similar containers	-	-	-	-	-	-	-	-	-	-	-	-
	C25.92 Manufacture of light metal packaging	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Capex based

a	b	e	f	i	j	m	n	q	r	u	v	y	z		
31.12.2024														(MCZK)	
BREAKDOWN BY SECTOR - WACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		
	GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		
	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)								
77	C25.93	Manufacture of wire products, chain and springs	-	-	-	-	-	-	-	-	-	-	-		
78	C25.94	Manufacture of fasteners and screw machine products	-	-	-	-	-	-	-	-	-	-	-		
79	C25.99	Manufacture of other fabricated metal products n.e.c.	-	-	-	-	-	-	-	-	-	-	-		
80	C26.11	Manufacture of electronic components	-	-	-	-	-	-	-	-	-	-	-		
81	C26.12	Manufacture of loaded electronic boards	-	-	-	-	-	-	-	-	-	-	-		
82	C26.20	Manufacture of computers and peripheral equipment	-	-	-	-	-	-	-	-	-	-	-		
83	C26.30	Manufacture of communication equipment	-	-	-	-	-	-	-	-	-	-	-		
84	C26.40	Manufacture of consumer electronics	-	-	-	-	-	-	-	-	-	-	-		
85	C26.51	Manufacture of instruments and appliances for measuring, testing and navigation	-	-	-	-	-	-	-	-	-	-	-		
86	C26.52	Manufacture of watches and clocks	-	-	-	-	-	-	-	-	-	-	-		
87	C26.60	Manufacture of irradiation, electromedical and electrotherapeutic equipment	-	-	-	-	-	-	-	-	-	-	-		
88	C26.70	Manufacture of optical instruments and photographic equipment	-	-	-	-	-	-	-	-	-	-	-		
89	C26.80	Manufacture of magnetic and optical media	-	-	-	-	-	-	-	-	-	-	-		
90	C27.11	Manufacture of electric motors, generators and transformers	-	-	-	-	-	-	-	-	-	-	-		
91	C27.12	Manufacture of electricity distribution and control apparatus	-	-	-	-	-	-	-	-	-	-	-		
92	C27.20	Manufacture of batteries and accumulators	-	-	-	-	-	-	-	-	-	-	-		
93	C27.31	Manufacture of fibre optic cables	-	-	-	-	-	-	-	-	-	-	-		
94	C27.32	Manufacture of other electronic and electric wires and cables	-	-	-	-	-	-	-	-	-	-	-		
95	C27.33	Manufacture of wiring devices	-	-	-	-	-	-	-	-	-	-	-		
96	C27.40	Manufacture of electric lighting equipment	-	-	-	-	-	-	-	-	-	-	-		
97	C27.51	Manufacture of electric domestic appliances	-	-	-	-	-	-	-	-	-	-	-		
98	C27.52	Manufacture of non-electric domestic appliances	-	-	-	-	-	-	-	-	-	-	-		
99	C27.90	Manufacture of other electrical equipment	-	-	-	-	-	-	-	-	-	-	-		
100	C28.11	Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	-	-	-	-	-	-	-	-	-	-	-		
101	C28.12	Manufacture of fluid power equipment	-	-	-	-	-	-	-	-	-	-	-		

continued: 2 GAR sector information - Capex based

(MCZK)															
a	b	e	f	i	j	m	n	q	r	u	v	y	z		
31.12.2024															
BREADKNOB BY SECTOR - NACE 4 DIGITS LEVEL CODE AND LABEL	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)	
102	C28.13 Manufacture of other pumps and compressors	-	-	-	-	-	-	-	-	-	-	-	-	-	
103	C28.14 Manufacture of other taps and valves	-	-	-	-	-	-	-	-	-	-	-	-	-	
104	C28.15 Manufacture of bearings, gears, gearing and driving elements	-	-	-	-	-	-	-	-	-	-	-	-	-	
105	C28.21 Manufacture of ovens, furnaces and furnace burners	-	-	-	-	-	-	-	-	-	-	-	-	-	
106	C28.22 Manufacture of filling and handling equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	
107	C28.23 Manufacture of office machinery and equipment (except computers and peripheral equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	
108	C28.24 Manufacture of power-driven hand tools	-	-	-	-	-	-	-	-	-	-	-	-	-	
109	C28.25 Manufacture of non-domestic cooling and ventilation equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	
110	C28.29 Manufacture of other general-purpose machinery n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	
111	C28.30 Manufacture of agricultural and forestry machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	
112	C28.41 Manufacture of metal forming machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	
113	C28.49 Manufacture of other machine tools	-	-	-	-	-	-	-	-	-	-	-	-	-	
114	C28.91 Manufacture of machinery for metallurgy	-	-	-	-	-	-	-	-	-	-	-	-	-	
115	C28.92 Manufacture of machinery for mining, quarrying and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	
116	C28.93 Manufacture of machinery for food, beverage and tobacco processing	-	-	-	-	-	-	-	-	-	-	-	-	-	
117	C28.94 Manufacture of machinery for textile, apparel and leather production	-	-	-	-	-	-	-	-	-	-	-	-	-	
118	C28.95 Manufacture of machinery for paper and paperboard production	-	-	-	-	-	-	-	-	-	-	-	-	-	
119	C28.96 Manufacture of plastics and rubber machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	
120	C28.99 Manufacture of other special-purpose machinery n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	
121	C29.10 Manufacture of motor vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	
122	C30.11 Building of ships and floating structures	-	-	-	-	-	-	-	-	-	-	-	-	-	
123	C30.12 Building of pleasure and sporting boats	-	-	-	-	-	-	-	-	-	-	-	-	-	
124	C30.20 Manufacture of railway locomotives and rolling stock	-	-	-	-	-	-	-	-	-	-	-	-	-	
125	C30.91 Manufacture of motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	
126	C30.92 Manufacture of bicycles and invalid carriages	-	-	-	-	-	-	-	-	-	-	-	-	-	

continued: 2 GAR sector information - Capex based

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	
31.12.2024																										
BROADENED BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)													
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	GROSS CARRYING AMOUNT											
127	C30.99	Manufacture of other transport equipment n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
128	C33.12	Repair of machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
129	C33.15	Repair and maintenance of ships and boats	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
130	C33.17	Repair and maintenance of other transport equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
131	D05.11	Production of electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
132	D05.12	Transmission of electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
133	D05.13	Distribution of electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
134	D05.21	Manufacture of gas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
135	D05.22	Distribution of gaseous fuels through mains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
136	D05.30	Steam and air conditioning supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
137	E36.00	Water collection, treatment and supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
138	E37.00	Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
139	E38.11	Collection of non-hazardous waste	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
140	E38.21	Treatment and disposal of non-hazardous waste	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
141	E38.30	Recovery of sorted materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
142	E39.00	Remediation activities and other waste management services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
143	F41.10	Development of building projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
144	F41.20	Construction of residential and non-residential buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
145	F42.11	Construction of roads and motorways	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
146	F42.12	Construction of railways and underground railways	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
147	F42.13	Construction of bridges and tunnels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
148	F42.21	Construction of utility projects for fluids	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
149	F42.22	Construction of utility projects for electricity and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
150	F42.91	Construction of water projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
151	F42.99	Construction of other civil engineering projects n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

continued: 2 GAR sector information - Capex based

31.12.2024														(MCZK)			
a	b	e	f	i	j	m	n	q	r	u	v	y	z				
CLIMATE CHANGE MITIGATION (CCM)														TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		POLLUTION (PPC)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)					
GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT					
OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)					
152	F43.11 Demolition	-	-	-	-	-	-	-	-	-	-	-	-				
153	F43.12 Site preparation	-	-	-	-	-	-	-	-	-	-	-	-				
154	F43.13 Test drilling and boring	-	-	-	-	-	-	-	-	-	-	-	-				
155	F43.21 Electrical installation	-	-	-	-	-	-	-	-	-	-	-	-				
156	F43.22 Plumbing, heat and air-conditioning installation	-	-	-	-	-	-	-	-	-	-	-	-				
157	F43.29 Other construction installation	-	-	-	-	-	-	-	-	-	-	-	-				
158	F43.31 Plastering	-	-	-	-	-	-	-	-	-	-	-	-				
159	F43.32 Joinery installation	-	-	-	-	-	-	-	-	-	-	-	-				
160	F43.33 Floor and wall covering	-	-	-	-	-	-	-	-	-	-	-	-				
161	F43.34 Painting and glazing	-	-	-	-	-	-	-	-	-	-	-	-				
162	F43.39 Other building completion and finishing	-	-	-	-	-	-	-	-	-	-	-	-				
163	F43.91 Roofing activities	-	-	-	-	-	-	-	-	-	-	-	-				
164	F43.99 Other specialised construction activities n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-				
165	H49.10 Passenger rail transport, interurban	-	-	-	-	-	-	-	-	-	-	-	-				
166	H49.20 Freight rail transport	-	-	-	-	-	-	-	-	-	-	-	-				
167	H49.31 Urban and suburban passenger land transport	-	-	-	-	-	-	-	-	-	-	-	-				
168	H49.32 Taxi operation	-	-	-	-	-	-	-	-	-	-	-	-				
169	H49.39 Other passenger land transport n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-				
170	H49.41 Freight transport by road	-	-	-	-	-	-	-	-	-	-	-	-				
171	H49.50 Transport via pipeline	-	-	-	-	-	-	-	-	-	-	-	-				
172	H60.10 Sea and coastal passenger water transport	-	-	-	-	-	-	-	-	-	-	-	-				
173	H60.20 Sea and coastal freight water transport	-	-	-	-	-	-	-	-	-	-	-	-				
174	H60.30 Inland passenger water transport	-	-	-	-	-	-	-	-	-	-	-	-				
175	H60.40 Inland freight water transport	-	-	-	-	-	-	-	-	-	-	-	-				
176	H62.21 Service activities incidental to land transportation	-	-	-	-	-	-	-	-	-	-	-	-				





continued: 2 GAR sector information - Capex based

(MCZK)																
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
31.12.2024																
BREAKDOWN BY SECTOR - NAČE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BD)		TOTAL (CCM + CCA + WTR + CE + PPC + BD)			
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)
202 N71.11 Architectural activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
203 N71.12 Engineering activities and related technical consultancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
204 N71.20 Technical testing and analysis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
205 N72.11 Research and experimental development on biotechnology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
206 N72.19 Other research and experimental development on natural sciences and engineering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
207 N72.20 Research and experimental development on social sciences and humanities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
208 N77.11 Rental and leasing of cars and light motor vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
209 N77.12 Rental and leasing of trucks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
210 N77.21 Rental and leasing of recreational and sports goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
211 N77.34 Rental and leasing of water transport equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
212 N77.39 Rental and leasing of other machinery, equipment and transportable goods n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
213 P85.10 Pre-primary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
214 P85.20 Primary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
215 P85.31 General secondary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
216 P85.32 Technical and vocational secondary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
217 P85.41 Post-secondary non-tertiary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
218 P85.42 Tertiary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
219 P85.51 Sports and recreation education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
220 P85.52 Cultural education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
221 P85.53 Driving school activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
222 P85.59 Other education n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
223 P86.60 Educational support activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
224 Q87.10 Residential nursing care activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
225 Q87.20 Residential care activities for mental retardation, mental health and substance abuse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
226 Q87.30 Residential care activities for the elderly and disabled	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Capex based

(MCZK)

a	b	e	f	i	j	m	n	q	r	u	v	y	z
	31.12.2024												
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	CLIMATE CHANGE ADAPTATION (CCA) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	WATER AND MARINE RESOURCES (WTR) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		CIRCULAR ECONOMY (CE) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		POLLUTION (PPC) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		BIODIVERSITY AND ECOSYSTEMS (BIO) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO) NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		
			GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)			
227 087.90 Other residential care activities	-	-	-	-	-	-	-	-	-	-	-	-	-
228 R80.01 Performing arts	-	-	-	-	-	-	-	-	-	-	-	-	-
229 R80.02 Support activities to performing arts	-	-	-	-	-	-	-	-	-	-	-	-	-
230 R80.03 Artistic creation	-	-	-	-	-	-	-	-	-	-	-	-	-
231 R80.04 Operation of arts facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
232 R91.01 Library and archives activities	-	-	-	-	-	-	-	-	-	-	-	-	-
233 R91.02 Museums activities	-	-	-	-	-	-	-	-	-	-	-	-	-
234 R91.03 Operation of historical sites and buildings and similar visitor attractions	-	-	-	-	-	-	-	-	-	-	-	-	-
235 R91.04 Botanical and zoological gardens and nature reserves activities	-	-	-	-	-	-	-	-	-	-	-	-	-
236 S95.21 Repair of consumer electronics	-	-	-	-	-	-	-	-	-	-	-	-	-
237 S95.22 Repair of household appliances and home and garden equipment	-	-	-	-	-	-	-	-	-	-	-	-	-

## 2 GAR sector information - Turnover based

(MCZK)

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z			
31.12.2024																												
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)				CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)				CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BD)				TOTAL (CCM + CCA + WTR + CE + PPC + BD)			
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)				NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)			
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC + BD)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BD)						
1	A02.10	Silviculture and other forestry activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
2	A02.20	Logging	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
3	A02.30	Gathering of wild growing non-wood products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
4	A02.40	Support services to forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
5	C16.10	Sawmilling and planing of wood	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
6	C16.21	Manufacture of veneer sheets and wood-based panels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
7	C16.22	Manufacture of assembled parquet floors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
8	C16.23	Manufacture of other builders' carpentry and joinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
9	C16.24	Manufacture of wooden containers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
10	C16.29	Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
11	C17.11	Manufacture of pulp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
12	C17.12	Manufacture of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
13	C17.21	Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
14	C17.22	Manufacture of household and sanitary goods and of toilet requisites	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
15	C17.23	Manufacture of paper stationery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
16	C17.24	Manufacture of wallpaper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
17	C17.29	Manufacture of other articles of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
18	C20.11	Manufacture of industrial gases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
19	C20.13	Manufacture of other inorganic basic chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
20	C20.14	Manufacture of other organic basic chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
21	C20.15	Manufacture of fertilisers and nitrogen compounds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
22	C20.16	Manufacture of plastics in primary forms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
23	C22.11	Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
117			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
24	C22.19	Manufacture of other rubber products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
0			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
25	C22.21	Manufacture of plastic plates, sheets, tubes and profiles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	C22.22	Manufacture of plastic packing goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

continued: 2 GAR sector information - Turnover based

a	b	e	f	i	j	m	n	q	r	u	v	y	z	
31.12.2024														
BROADENED BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
	GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)							
27	C22.23	Manufacture of builders ware of plastic	-	-	-	-	-	-	-	-	-	-	-	
28	C22.29	Manufacture of other plastic products	-	-	-	-	-	-	-	-	-	-	-	
29	C23.11	Manufacture of flat glass	-	-	-	-	-	-	-	-	-	-	-	
30	C23.12	Shaping and processing of flat glass	-	-	-	-	-	-	-	-	-	-	-	
31	C23.13	Manufacture of hollow glass	-	-	-	-	-	-	-	-	-	-	-	
32	C23.14	Manufacture of glass fibres	-	-	-	-	-	-	-	-	-	-	-	
33	C23.19	Manufacture and processing of other glass, including technical glassware	-	-	-	-	-	-	-	-	-	-	-	
34	C23.20	Manufacture of refractory products	-	-	-	-	-	-	-	-	-	-	-	
35	C23.31	Manufacture of ceramic tiles and flags	-	-	-	-	-	-	-	-	-	-	-	
36	C23.32	Manufacture of bricks, tiles and construction products, in baked clay	-	-	-	-	-	-	-	-	-	-	-	
37	C23.41	Manufacture of ceramic household and ornamental articles	-	-	-	-	-	-	-	-	-	-	-	
38	C23.42	Manufacture of ceramic sanitary fixtures	-	-	-	-	-	-	-	-	-	-	-	
39	C23.43	Manufacture of ceramic insulators and insulating fittings	-	-	-	-	-	-	-	-	-	-	-	
40	C23.44	Manufacture of other technical ceramic products	-	-	-	-	-	-	-	-	-	-	-	
41	C23.49	Manufacture of other ceramic products	-	-	-	-	-	-	-	-	-	-	-	
42	C23.51	Manufacture of cement	-	-	-	-	-	-	-	-	-	-	-	
43	C23.52	Manufacture of lime and plaster	-	-	-	-	-	-	-	-	-	-	-	
44	C23.61	Manufacture of concrete products for construction purposes	-	-	-	-	-	-	-	-	-	-	-	
45	C23.62	Manufacture of plaster products for construction purposes	-	-	-	-	-	-	-	-	-	-	-	
46	C23.63	Manufacture of ready-mixed concrete	-	-	-	-	-	-	-	-	-	-	-	
47	C23.64	Manufacture of mortars	-	-	-	-	-	-	-	-	-	-	-	
48	C23.65	Manufacture of fibre cement	-	-	-	-	-	-	-	-	-	-	-	
49	C23.69	Manufacture of other articles of concrete, plaster and cement	-	-	-	-	-	-	-	-	-	-	-	
50	C23.70	Cutting, shaping and finishing of stone	-	-	-	-	-	-	-	-	-	-	-	
51	C23.91	Production of abrasive products	-	-	-	-	-	-	-	-	-	-	-	

continued: 2 GAR sector information - Turnover based

31.12.2024														(MCZK)			
a	b	e	f	i	j	m	n	q	r	u	v	y	z				
BROADENED BY SECTOR - NACE 4 DIGITS LEVEL CODE AND LABEL	CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BD)		TOTAL (CCM + CCA + WTR + CE + PPC + BD)					
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)					
	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT					
	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BD)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BD)					
52	C23.99 Manufacture of other non-metallic mineral products	-	-	-	-	-	-	-	-	-	-	-	-				
53	C24.10 Manufacture of basic iron and steel and of ferro-alloys	-	-	-	-	-	-	-	-	-	-	-	-				
54	C24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	-	-	-	-	-	-	-	-	-	-	-	-				
55	C24.31 Cold drawing of bars	-	-	-	-	-	-	-	-	-	-	-	-				
56	C24.32 Cold rolling of narrow strip	-	-	-	-	-	-	-	-	-	-	-	-				
57	C24.33 Cold forming or folding	-	-	-	-	-	-	-	-	-	-	-	-				
58	C24.34 Cold drawing of wire	-	-	-	-	-	-	-	-	-	-	-	-				
59	C24.42 Aluminium production	-	-	-	-	-	-	-	-	-	-	-	-				
60	C24.51 Casting of iron	-	-	-	-	-	-	-	-	-	-	-	-				
61	C24.52 Casting of steel	36	14	-	-	-	-	-	-	-	-	36	14				
62	C24.53 Casting of light metals	-	-	-	-	-	-	-	-	-	-	-	-				
63	C25.11 Manufacture of metal structures and parts of structures	-	-	-	-	-	-	-	-	-	-	-	-				
64	C25.12 Manufacture of doors and windows of metal	-	-	-	-	-	-	-	-	-	-	-	-				
65	C25.21 Manufacture of central heating radiators and boilers	-	-	-	-	-	-	-	-	-	-	-	-				
66	C25.29 Manufacture of other tanks, reservoirs and containers of metal	-	-	-	-	-	-	-	-	-	-	-	-				
67	C25.30 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-	-	-	-	-	-	-	-	-				
68	C25.40 Manufacture of weapons and ammunition	-	-	-	-	-	-	-	-	-	-	-	-				
69	C25.50 Forging, pressing, stamping and roll-forming of metal; powder metallurgy	-	-	-	-	-	-	-	-	-	-	-	-				
70	C25.61 Treatment and coating of metals	-	-	-	-	-	-	-	-	-	-	-	-				
71	C25.62 Machining	-	-	-	-	-	-	-	-	-	-	-	-				
72	C25.71 Manufacture of cutlery	-	-	-	-	-	-	-	-	-	-	-	-				
73	C25.72 Manufacture of locks and hinges	-	-	-	-	-	-	-	-	-	-	-	-				
74	C25.73 Manufacture of tools	-	-	-	-	-	-	-	-	-	-	-	-				
75	C25.91 Manufacture of steel drums and similar containers	-	-	-	-	-	-	-	-	-	-	-	-				
76	C25.92 Manufacture of light metal packaging	-	-	-	-	-	-	-	-	-	-	-	-				

continued: 2 GAR sector information - Turnover based

(MCZK)

a	b	e	f	i	j	m	n	q	r	u	v	y	z
31.12.2024													
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	
77	C25.93 Manufacture of wire products, chain and springs	-	-	-	-	-	-	-	-	-	-	-	-
78	C25.94 Manufacture of fasteners and screw machine products	-	-	-	-	-	-	-	-	-	-	-	-
79	C25.99 Manufacture of other fabricated metal products n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-
80	C26.11 Manufacture of electronic components	-	-	-	-	-	-	-	-	-	-	-	-
81	C26.12 Manufacture of loaded electronic boards	-	-	-	-	-	-	-	-	-	-	-	-
82	C26.20 Manufacture of computers and peripheral equipment	-	-	-	-	-	-	-	-	-	-	-	-
83	C26.30 Manufacture of communication equipment	-	-	-	-	-	-	-	-	-	-	-	-
84	C26.40 Manufacture of consumer electronics	-	-	-	-	-	-	-	-	-	-	-	-
85	C26.51 Manufacture of instruments and appliances for measuring, testing and navigation	-	-	-	-	-	-	-	-	-	-	-	-
86	C26.52 Manufacture of watches and clocks	-	-	-	-	-	-	-	-	-	-	-	-
87	C26.60 Manufacture of irradiation, electromedical and electrotherapeutic equipment	-	-	-	-	-	-	-	-	-	-	-	-
88	C26.70 Manufacture of optical instruments and photographic equipment	-	-	-	-	-	-	-	-	-	-	-	-
89	C26.80 Manufacture of magnetic and optical media	-	-	-	-	-	-	-	-	-	-	-	-
90	C27.11 Manufacture of electric motors, generators and transformers	-	-	-	-	-	-	-	-	-	-	-	-
91	C27.12 Manufacture of electricity distribution and control apparatus	-	-	-	-	-	-	-	-	-	-	-	-
92	C27.20 Manufacture of batteries and accumulators	-	-	-	-	-	-	-	-	-	-	-	-
93	C27.31 Manufacture of fibre optic cables	-	-	-	-	-	-	-	-	-	-	-	-
94	C27.32 Manufacture of other electronic and electric wires and cables	-	-	-	-	-	-	-	-	-	-	-	-
95	C27.33 Manufacture of wiring devices	-	-	-	-	-	-	-	-	-	-	-	-
96	C27.40 Manufacture of electric lighting equipment	-	-	-	-	-	-	-	-	-	-	-	-
97	C27.51 Manufacture of electric domestic appliances	-	-	-	-	-	-	-	-	-	-	-	-
98	C27.52 Manufacture of non-electric domestic appliances	-	-	-	-	-	-	-	-	-	-	-	-
99	C27.90 Manufacture of other electrical equipment	-	-	-	-	-	-	-	-	-	-	-	-
100	C28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	-	-	-	-	-	-	-	-	-	-	-	-
101	C28.12 Manufacture of fluid power equipment	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Turnover based

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	
																										31.12.2024
BREADKOVNBY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)													
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)												
102 C28.13 Manufacture of other pumps and compressors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
103 C28.14 Manufacture of other taps and valves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
104 C28.15 Manufacture of bearings, gears, gearing and driving elements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
105 C28.21 Manufacture of ovens, furnaces and furnace burners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
106 C28.22 Manufacture of filling and handling equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
107 C28.23 Manufacture of office machinery and equipment (except computers and peripheral equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
108 C28.24 Manufacture of power-driven hand tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
109 C28.25 Manufacture of non-domestic cooling and ventilation equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
110 C28.29 Manufacture of other general-purpose machinery n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
111 C28.30 Manufacture of agricultural and forestry machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
112 C28.41 Manufacture of metal forming machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
113 C28.49 Manufacture of other machine tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
114 C28.91 Manufacture of machinery for metallurgy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
115 C28.92 Manufacture of machinery for mining, quarrying and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
116 C28.93 Manufacture of machinery for food, beverage and tobacco processing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
117 C28.94 Manufacture of machinery for textile, apparel and leather production	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
118 C28.95 Manufacture of machinery for paper and paperboard production	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
119 C28.96 Manufacture of plastics and rubber machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
120 C28.99 Manufacture of other special-purpose machinery n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
121 C29.10 Manufacture of motor vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
122 C30.11 Building of ships and floating structures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
123 C30.12 Building of pleasure and sporting boats	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
124 C30.20 Manufacture of railway locomotives and rolling stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
125 C30.91 Manufacture of motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
126 C30.92 Manufacture of bicycles and invalid carriages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(MCZK)



continued: 2 GAR sector information - Turnover based

(MCZK)

a	b	e	f	i	j	m	n	q	r	u	v	y	z
	31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)	
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)													
127	E30.99 Manufacture of other transport equipment n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-
128	E33.12 Repair of machinery	-	-	-	-	-	-	-	-	-	-	-	-
129	C33.15 Repair and maintenance of ships and boats	-	-	-	-	-	-	-	-	-	-	-	-
130	C33.17 Repair and maintenance of other transport equipment	-	-	-	-	-	-	-	-	-	-	-	-
131	D35.11 Production of electricity	509	437	8	0	3	-	3	-	-	-	524	437
132	D35.12 Transmission of electricity	-	-	-	-	-	-	-	-	-	-	-	-
133	D35.13 Distribution of electricity	-	-	-	-	-	-	-	-	-	-	-	-
134	D35.21 Manufacture of gas	-	-	-	-	-	-	-	-	-	-	-	-
135	D35.22 Distribution of gaseous fuels through mains	-	-	-	-	-	-	-	-	-	-	-	-
136	D35.30 Steam and air conditioning supply	25	22	-	-	0	-	0	-	-	-	26	22
137	E36.00 Water collection, treatment and supply	-	-	-	-	-	-	-	-	-	-	-	-
138	E37.00 Sewerage	-	-	-	-	-	-	-	-	-	-	-	-
139	E38.11 Collection of non-hazardous waste	-	-	-	-	-	-	-	-	-	-	-	-
140	E38.21 Treatment and disposal of non-hazardous waste	-	-	-	-	-	-	-	-	-	-	-	-
141	E38.32 Recovery of sorted materials	-	-	-	-	-	-	-	-	-	-	-	-
142	E39.00 Remediation activities and other waste management services	-	-	-	-	-	-	-	-	-	-	-	-
143	F41.10 Development of building projects	-	-	-	-	-	-	-	-	-	-	-	-
144	F41.20 Construction of residential and non-residential buildings	-	-	-	-	-	-	-	-	-	-	-	-
145	F42.11 Construction of roads and motorways	141	72	-	-	-	-	-	-	-	-	141	72
146	F42.12 Construction of railways and underground railways	-	-	-	-	-	-	-	-	-	-	-	-
147	F42.13 Construction of bridges and tunnels	-	-	-	-	-	-	-	-	-	-	-	-
148	F42.21 Construction of utility projects for fluids	-	-	-	-	-	-	-	-	-	-	-	-
149	F42.22 Construction of utility projects for electricity and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
150	F42.91 Construction of water projects	-	-	-	-	-	-	-	-	-	-	-	-
151	F42.99 Construction of other civil engineering projects n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Turnover based

(MCZK)

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z
31.12.2024																									
BROADENED BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)												
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)												
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)											
152	F43.11 Demolition	-	-	-	-	-	-	-	-	-	-	-	-	-											
153	F43.12 Site preparation	-	-	-	-	-	-	-	-	-	-	-	-	-											
154	F43.13 Test drilling and boring	-	-	-	-	-	-	-	-	-	-	-	-	-											
155	F43.21 Electrical installation	-	-	-	-	-	-	-	-	-	-	-	-	-											
156	F43.22 Plumbing, heat and air-conditioning installation	-	-	-	-	-	-	-	-	-	-	-	-	-											
157	F43.29 Other construction installation	-	-	-	-	-	-	-	-	-	-	-	-	-											
158	F43.31 Plastering	-	-	-	-	-	-	-	-	-	-	-	-	-											
159	F43.32 Joinery installation	-	-	-	-	-	-	-	-	-	-	-	-	-											
160	F43.33 Floor and wall covering	-	-	-	-	-	-	-	-	-	-	-	-	-											
161	F43.34 Painting and glazing	-	-	-	-	-	-	-	-	-	-	-	-	-											
162	F43.39 Other building completion and finishing	-	-	-	-	-	-	-	-	-	-	-	-	-											
163	F43.91 Roofing activities	7	6	-	0	0	0	0	0	-	-	7	6	-											
164	F43.99 Other specialised construction activities n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-											
165	H49.10 Passenger rail transport, interurban	-	-	-	-	-	-	-	-	-	-	-	-	-											
166	H49.20 Freight rail transport	0	0	-	-	-	-	-	-	-	-	0	0	-											
167	H49.31 Urban and suburban passenger land transport	48	35	-	-	-	-	-	-	-	-	48	35	-											
168	H49.32 Taxi operation	-	-	-	-	-	-	-	-	-	-	-	-	-											
169	H49.39 Other passenger land transport n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-											
170	H49.41 Freight transport by road	-	-	-	-	-	-	-	-	-	-	-	-	-											
171	H49.50 Transport via pipeline	-	-	-	-	-	-	-	-	-	-	-	-	-											
172	H50.10 Sea and coastal passenger water transport	-	-	-	-	-	-	-	-	-	-	-	-	-											
173	H50.20 Sea and coastal freight water transport	-	-	-	-	-	-	-	-	-	-	-	-	-											
174	H50.30 Inland passenger water transport	-	-	-	-	-	-	-	-	-	-	-	-	-											
175	H50.40 Inland freight water transport	-	-	-	-	-	-	-	-	-	-	-	-	-											
176	H62.21 Service activities incidental to land transportation	-	-	-	-	-	-	-	-	-	-	-	-	-											

continued: 2 GAR sector information - Turnover based

(MCZK)

a	b	e	f	i	j	m	n	q	r	u	v	y	z
31.12.2024													
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)
	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	GROSS CARRYING AMOUNT	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	
177 L62.22 Service activities incidental to water transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
178 L63.10 Postal activities under universal service obligation	-	-	-	-	-	-	-	-	-	-	-	-	-
179 L63.20 Other postal and courier activities	-	-	-	-	-	-	-	-	-	-	-	-	-
180 J59.11 Motion picture, video and television programme production activities	-	-	-	-	-	-	-	-	-	-	-	-	-
181 J59.12 Motion picture, video and television programme post-production activities	-	-	-	-	-	-	-	-	-	-	-	-	-
182 J59.13 Motion picture, video and television programme distribution activities	-	-	-	-	-	-	-	-	-	-	-	-	-
183 J59.14 Motion picture projection activities	-	-	-	-	-	-	-	-	-	-	-	-	-
184 J59.20 Sound recording and music publishing activities	-	-	-	-	-	-	-	-	-	-	-	-	-
185 J60.10 Radio broadcasting	-	-	-	-	-	-	-	-	-	-	-	-	-
186 J60.20 Television programming and broadcasting activities	-	-	-	-	-	-	-	-	-	-	-	-	-
187 J61.10 Wired telecommunications activities	-	-	-	-	-	-	-	-	-	-	-	-	-
188 J61.20 Wireless telecommunications activities	-	-	-	-	-	-	-	-	-	-	-	-	-
189 J61.30 Satellite telecommunications activities	-	-	-	-	-	-	-	-	-	-	-	-	-
190 J61.90 Other telecommunications activities	0	0	-	-	-	0	-	-	-	-	0	0	0
191 J62.01 Computer programming activities	-	-	-	-	-	-	-	-	-	-	-	-	-
192 J62.02 Computer consultancy activities	-	-	-	-	-	-	-	-	-	-	-	-	-
193 J62.03 Computer facilities management activities	-	-	-	-	-	-	-	-	-	-	-	-	-
194 J62.09 Other information technology and computer service activities	0	-	-	-	-	-	-	-	-	-	0	-	-
195 J63.11 Data processing, hosting and related activities	-	-	-	-	-	-	-	-	-	-	-	-	-
196 J65.12 Non-life insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
197 J65.20 Reinsurance	-	-	-	-	-	-	-	-	-	-	-	-	-
198 L68.10 Buying and selling of own real estate	-	-	-	-	-	-	-	-	-	-	-	-	-
199 L68.20 Rental and operating of own or leased real estate	-	-	-	-	-	-	-	-	-	-	-	-	-
200 L68.31 Real estate agencies	-	-	-	-	-	-	-	-	-	-	-	-	-
201 L68.32 Management of real estate on a fee or contract basis	-	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Turnover based

(MCZK)

a	b	e	f	i	j	m	n	q	r	u	v	y	z
31.12.2024													
BROADENED BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND CUBE)	CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BD)		TOTAL (CCM + CCA + WTR + CE + PPC + BD)
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)
	GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT
	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BD)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BD)
202	N71.11 Architectural activities	-	-	-	-	-	-	-	-	-	-	-	-
203	N71.12 Engineering activities and related technical consultancy	-	-	-	-	-	-	-	-	-	-	-	-
204	N71.20 Technical testing and analysis	-	-	-	-	-	-	-	-	-	-	-	-
205	N72.11 Research and experimental development on biotechnology	-	-	-	-	-	-	-	-	-	-	-	-
206	N72.19 Other research and experimental development on natural sciences and engineering	-	-	-	-	-	-	-	-	-	-	-	-
207	N72.20 Research and experimental development on social sciences and humanities	-	-	-	-	-	-	-	-	-	-	-	-
208	N77.11 Rental and leasing of cars and light motor vehicles	-	-	-	-	-	-	-	-	-	-	-	-
209	N77.12 Rental and leasing of trucks	-	-	-	-	-	-	-	-	-	-	-	-
210	N77.21 Rental and leasing of recreational and sports goods	-	-	-	-	-	-	-	-	-	-	-	-
211	N77.34 Rental and leasing of water transport equipment	-	-	-	-	-	-	-	-	-	-	-	-
212	N77.39 Rental and leasing of other machinery, equipment and tangible goods n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-
213	P85.10 Pre-primary education	-	-	-	-	-	-	-	-	-	-	-	-
214	P85.20 Primary education	-	-	-	-	-	-	-	-	-	-	-	-
215	P85.31 General secondary education	-	-	-	-	-	-	-	-	-	-	-	-
216	P85.32 Technical and vocational secondary education	-	-	-	-	-	-	-	-	-	-	-	-
217	P85.41 Post-secondary non-tertiary education	-	-	-	-	-	-	-	-	-	-	-	-
218	P85.42 Tertiary education	-	-	-	-	-	-	-	-	-	-	-	-
219	P85.51 Sports and recreation education	-	-	-	-	-	-	-	-	-	-	-	-
220	P85.52 Cultural education	-	-	-	-	-	-	-	-	-	-	-	-
221	P85.53 Driving school activities	-	-	-	-	-	-	-	-	-	-	-	-
222	P85.59 Other education n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-
223	P85.60 Educational support activities	-	-	-	-	-	-	-	-	-	-	-	-
224	Q87.10 Residential nursing care activities	-	-	-	-	-	-	-	-	-	-	-	-
225	Q87.20 Residential care activities for mental retardation	-	-	-	-	-	-	-	-	-	-	-	-
226	Q87.30 Residential care activities for the elderly and disabled	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Turnover based

(MCZK)

a	b	e	f	i	j	m	n	q	r	u	v	y	z
	31.12.2024												
	CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)						
	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT	GROSS CARRYING AMOUNT						
	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)	OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)						
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)													
227 087.90 Other residential care activities	-	-	-	-	-	-	-	-	-	-	-	-	-
228 R90.01 Performing arts	-	-	-	-	-	-	-	-	-	-	-	-	-
229 R90.02 Support activities to performing arts	-	-	-	-	-	-	-	-	-	-	-	-	-
230 R90.03 Artistic creation	-	-	-	-	-	-	-	-	-	-	-	-	-
231 R90.04 Operation of arts facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
232 R91.01 Library and archives activities	-	-	-	-	-	-	-	-	-	-	-	-	-
233 R91.02 Museums activities	-	-	-	-	-	-	-	-	-	-	-	-	-
234 R91.03 Operation of historical sites and buildings and similar	-	-	-	-	-	-	-	-	-	-	-	-	-
235 R91.04 Botanical and zoological gardens and nature reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
236 S95.21 Repair of consumer electronics	-	-	-	-	-	-	-	-	-	-	-	-	-
237 S95.22 Repair of household appliances and home and garden equipment	-	-	-	-	-	-	-	-	-	-	-	-	-

3 GAR KPI (stock) - Capex based - % (compared to total covered assets in the denominator)

	a	b	c	d	e	f	g	h	i	j	k	l	m													
														31.12.2024												
														CLIMATE CHANGE MITIGATION (CCM)												
														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)																										
% COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR	GAR - Covered assets in both numerator and denominator	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		OF WHICH USE OF PROCEEDS		OF WHICH ENABLING		CLIMATE CHANGE ADAPTATION (CCA)		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		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)	OF WHICH USE OF PROCEEDS	OF WHICH ENABLING	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	OF WHICH USE OF PROCEEDS	OF WHICH ENABLING	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	OF WHICH USE OF PROCEEDS	OF WHICH ENABLING	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)											
1	Loans and advances, debt securities and equity instruments not HTI eligible for GAR calculation	26.20%	0.54%	-	0.04%	0.42%	0.00%	-	-	-	0.01%	0.00%	-	-												
2	Financial undertakings	1.23%	0.31%	-	0.00%	0.30%	0.00%	-	-	-	-	-	-	-												
3	Credit institutions	0.02%	0.00%	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-												
4	Loans and advances	0.02%	0.00%	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-												
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-												
6	Equity instruments	0.00%	-	-	-	-	-	-	-	-	-	-	-	-												
7	Other financial corporations	1.21%	0.31%	-	0.00%	0.30%	-	-	-	-	-	-	-	-												
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	0.38%	0.22%	-	0.04%	0.13%	0.00%	0.00%	-	-	0.01%	0.00%	-	-												
21	Loans and advances	0.20%	0.05%	-	0.01%	0.02%	0.00%	0.00%	-	-	0.00%	0.00%	-	-												
22	Debt securities, including UoP	0.18%	0.17%	-	0.03%	0.11%	-	-	-	-	0.01%	0.00%	-	-												
23	Equity instruments	0.00%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-												
24	Households	24.60%	0.01%	-	0.01%	-	-	-	-	-	-	-	-	-												
25	Of which: loans collateralised by residential immovable property	24.06%	0.01%	-	0.01%	-	-	-	-	-	-	-	-	-												
26	Of which: building renovation loans	0.53%	-	-	-	-	-	-	-	-	-	-	-	-												
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	26.20%	0.54%	-	0.04%	0.42%	0.00%	0.00%	-	-	0.01%	0.00%	-	-												

continued: 3 GAR KPI (stock) - Capex based - % (compared to total covered assets in the denominator)

n	31.12.2024	Circular Economy (CE) PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	POLLUTION (PPC) PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	Biodiversity and Ecosystems (BIO) PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO) PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)	af
1	Loans and advances: debt securities and equity instruments not eligible for GAR calculation	0.00%	-	-	26.27%	18.53%
2	Financial underlinings	-	0.00%	-	1.23%	0.89%
3	Credit institutions	-	-	-	0.02%	0.03%
4	Loans and advances	-	-	-	0.02%	0.03%
5	Debt securities, including UoP	-	-	-	0.02%	0.03%
6	Equity instruments	-	-	-	0.00%	0.00%
7	Other Financial corporation	-	-	-	0.00%	0.00%
8	Of which: investment firms	-	-	-	1.21%	0.84%
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 underlinings	-	-	-	-	-
17	Loans and advances	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-
19	Equity instruments	-	-	-	-	-
20	Non-Financial underlinings	0.00%	0.00%	-	0.45%	1.18%
21	Loans and advances	-	-	-	0.25%	0.92%
22	Debt securities, including UoP	-	-	-	0.20%	0.15%
23	Equity instruments	-	-	-	0.00%	0.00%
24	Households	-	-	-	24.60%	16.45%
25	Of which: loans collateralised by residential immovable property	-	-	-	24.06%	16.10%
26	Of which: building renovation loans	-	-	-	0.53%	0.35%
27	Of which: motor vehicle loans	-	-	-	-	-
28	Local governments financing	-	-	-	-	0.00%
29	Housing financing	-	-	-	-	0.00%
30	Other local government financing	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	26.27%	66.26%
32	Total GAR assets	0.00%	0.00%	-	26.27%	66.26%



	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2024												
	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)					WATER AND MARINE RESOURCES (WMR)		
	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)		
% COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR	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 USE OF PROCEEDS					OF WHICH USE OF PROCEEDS		
GAR - Covered assets in both numerator and denominator													
	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation					Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation					Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation		
1	26.05%	0.28%	0.03%	0.03%	0.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	Financial undertakings					Financial undertakings					Financial undertakings		
3	0.02%	0.16%	0.00%	0.00%	0.16%	0.00%	0.16%	0.00%	0.16%	0.00%	0.00%	0.00%	0.00%
4	Credit institutions					Credit institutions					Credit institutions		
5	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Loans and advances					Loans and advances					Loans and advances		
7	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8	Debt securities, including UoP					Debt securities, including UoP					Debt securities, including UoP		
9	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Equity instruments					Equity instruments					Equity instruments		
11	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12	Other financial corporation					Other financial corporation					Other financial corporation		
13	1.18%	0.16%	0.00%	0.00%	0.16%	0.00%	0.16%	0.00%	0.16%	0.00%	0.00%	0.00%	0.00%
14	Of which: investment firms					Of which: investment firms					Of which: investment firms		
15	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	Loans and advances					Loans and advances					Loans and advances		
17	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Of which: insurance undertakings					Of which: insurance undertakings					Of which: insurance undertakings		
19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Debt securities, including UoP					Debt securities, including UoP					Debt securities, including UoP		
21													

continued: 3 GAR KPI stock - Turnover based - % (compared to total covered assets in the denominator)

n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
31.12.2024																		
% COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR	CIRCULAR ECONOMY (CE)		POLLUTION (PC)		BIODIVERSITY AND ECOSYSTEMS (BD)		TOTAL (CE+PC+BD)		TOTAL (CE+PC+BD)		TOTAL (CE+PC+BD)		TOTAL (CE+PC+BD)		TOTAL (CE+PC+BD)		TOTAL (CE+PC+BD)	
	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-ELIGIBLE)		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		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-ELIGIBLE)		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		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)		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)		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)	
	OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS		OF WHICH USE OF PROCEEDS	
GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HT eligible for GAR calculation	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		18.53%
2	Financial undertakings	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.89%
3	Credit institutions	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.05%
4	Loans and advances	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.05%
5	Debt securities, including UoP	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
6	Equity instruments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
7	Other financial corporation	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
8	Of which: investment firms	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
9	Loans and advances	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
10	Debt securities, including UoP	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
11	Equity instruments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
12	Of which: management companies	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
13	Loans and advances	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
14	Debt securities, including UoP	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
15	Equity instruments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
16	Of which: insurance undertakings	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
17	Loans and advances	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
18	Debt securities, including UoP	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
19	Equity instruments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
20	Non-financial undertakings	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		1.18%
21	Loans and advances	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		1.02%
22	Debt securities, including UoP	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.16%
23	Equity instruments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
24	Households	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		16.45%
25	Of which: loans collateralised by residential immovable property	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		16.10%
26	Of which: building renovation loans	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.35%
27	Of which: motor vehicle loans	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
28	Local governments financing	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
29	Other local government financing	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
30	Collateral obtained by taking possession: residential and commercial immovable assets	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		66.26%
31	Total GAR assets	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		66.26%

31.12.2024												
a	b	c	d	e	f	g	h	i	j	k	l	m
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 USE OF PROCEEDS					OF WHICH USE OF PROCEEDS		
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OF WHICH USE OF ENABLING					OF WHICH USE OF ENABLING					OF WHICH USE OF ENABLING		

continued: 4 GAR KPI flow - Capex based - % (compared to flow of total eligible assets)

	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af					
	31.12.2024																							
	CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CEM + 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-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)				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	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING	OF WHICH USE OF PROCEEDS	ENABLING				
% (COMPARED TO FLOW OF TOTAL ELIGIBLE ASSETS)																								
GAR - Covered assets in both numerator and denominator																								
1	Loans and advances, debt securities and equity instruments not HT-eligible for GAR calculation	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	11.05%	1.00%	-	0.01%	0.87%	13.11%				
2	Financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	3.86%	0.92%	-	0.00%	0.84%	4.01%				
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10%	0.00%	-	0.00%	0.30%	0.30%				
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10%	0.00%	-	0.00%	0.30%	0.30%				
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
8	Of which: investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	3.75%	0.91%	-	0.00%	0.84%	3.71%				
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
12	Of which: management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	-				
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	-				
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 undertaking	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	0.56%	0.08%	-	0.01%	0.03%	2.63%				
21	Loans and advances	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	0.53%	0.08%	-	0.01%	0.03%	2.59%				
22	Debt securities, including UoP	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	0.04%	0.00%	-	0.00%	0.00%	0.04%				
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
24	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	6.64%	-	-	-	-	6.47%				
25	Of which: loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	6.59%	-	-	-	-	6.43%				
26	Of which: building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04%	-	-	-	-	0.04%				
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	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-	-	11.05%	1.00%	-	0.01%	0.87%	13.11%				

[illegible]

n	o	p	q	r	s	t	u	v	w	x	y	a	b	c	d	e	f
31.12.2024																	
CIRCULAR ECONOMY (CE)									BIODIVERSITY AND ECOSYSTEMS (Bio)						TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		
PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE) RELEVANT SECTORS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE) RELEVANT SECTORS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE) RELEVANT SECTORS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)									
<div>OF WHICH USE OF PROCEEDS ENABLING</div>				<div>OF WHICH USE OF PROCEEDS ENABLING</div>				<div>OF WHICH USE OF PROCEEDS ENABLING</div>									
% COMPARED TO FLOW OF TOTAL ELIGIBLE ASSETS) denominator																	
(GAR - Covered assets in both numerator and denominator)																	
Loans and advances, debt securities and equity instruments not HT eligible for GAR calculation	-	-	-	0.00%	-	-	-	-	-	-	-	10.90%	0.57%	-	0.01%	0.53%	13.11%
<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	3.80%	0.52%	-	0.00%	0.52%	4.01%
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	0.10%	0.00%	-	0.00%	0.00%	0.30%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	0.10%	0.00%	-	0.00%	0.00%	0.30%
Debt securities, including Ucp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	3.70%	0.52%	-	0.00%	0.52%	3.71%
<i>Of which: investment firms</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including Lcp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Of which: management companies</i>	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
Debt securities, including Lcp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Of which: insurance undertakings</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including Lcp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Financial undertaking</b>	-	-	-	0.00%	-	-	-	-	-	-	-	0.46%	0.05%	-	0.01%	0.01%	2.63%
Loans and advances	-	-	-	0.00%	-	-	-	-	-	-	-	0.46%	0.05%	-	0.01%	0.01%	2.55%
Debt securities, including Lcp	-	-	-	0.00%	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.04%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	6.64%	-	-	-	-	6.47%
<i>Of which: loans collateralised by residential immovable property</i>	-	-	-	-	-	-	-	-	-	-	-	6.59%	-	-	-	-	6.43%
<i>Of which: building renovation loans</i>	-	-	-	-	-	-	-	-	-	-	-	0.04%	-	-	-	-	0.04%
<i>Of which: motor vehicle loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Collateral obtained by taking possession:</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
residential properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
commercial properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GAR assets	-	-	-	0.00%	-	-											

**5 KPI off-balance sheet exposures flow - Capex based - % (compared to total eligible Off-Balance-Sheet assets)**

31.12.2024													
CLIMATE CHANGE MITIGATION (CCM)													
% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	a	b	c	d	e	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-ELIGIBLE)		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)		
									OF WHICH USE OF PROCEEDS	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS
1	31.83%	2.75%	-	0.10%	0.69%	-	-	-	-	-	-	-	-
Financial guarantees (FinGuar KPI)													
Assets under management (AUM KPI)													

continued: 5 KPI off-balance sheet exposures flow - Capex based - % (compared to total eligible Off-Balance-Sheet assets)

31.12.2024																
% COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CEM + 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-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	ENABLING			OF WHICH USE OF PROCEEDS	ENABLING			OF WHICH USE OF PROCEEDS	ENABLING			OF WHICH USE OF PROCEEDS	ENABLING		
1	0.03%	-	-	-	-	-	-	-	-	-	-	-	31.86%	2.75%	0.10%	0.69%
Financial guarantees (FinGuar KPI)																
Assets under management (AUM KPI)																

**5 KPI off-balance sheet exposures flow - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)**

31.12.2024													
CLIMATE CHANGE MITIGATION (COM)													
CLIMATE CHANGE ADAPTATION (CCA)													
WATER AND MARINE RESOURCES (WTR)													
% (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)			m
	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
1 Financial guarantees (FinQuar KPI)	31.06%	2.22%	0.11%	0.27%	0.04%	-	-	-	-	-	-	-	-
Assets under management (AUM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-



[illegible]

	a	b	c	d	e	f	g	h	i	j	k
	31.12.2024										
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				
		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)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)	OF WHICH USE OF PROCEEDS	OF WHICH ENABLING	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)	OF WHICH USE OF PROCEEDS
1	Financial guarantees (FinGuar KPI)	7.58%	1.78%	0.78%	4.37%	-	-	-	-	-	-
	Assets under management (AUM KPI)	26.67%	11.15%	-	5.42%	1.43%	0.30%	0.18%	0.22%	-	-

[illegible]

5 KPI off-balance sheet exposures stock - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2024												
	CLIMATE CHANGE MITIGATION (CCM)												
% COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	CLIMATE CHANGE ADAPTATION (CCA)												
	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)		
	OF WHICH USE OF PROCEEDS					OF WHICH ENABLING					OF WHICH ENABLING		
	OF WHICH USE OF PROCEEDS					OF WHICH ENABLING					OF WHICH ENABLING		
1	Financial guarantees (FinGuar KPI)	31.44%	3.73%	0.07%	2.51%	0.02%	0.00%	-	-	-	-	-	-
	Assets under management (AUM KPI)	19.32%	7.41%	0.50%	4.00%	1.90%	0.25%	-	0.03%	-	-	-	-

continued: 5 KPI off-balance sheet exposures stock - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)

	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae
	31.12.2024																	
	CIRCULAR ECONOMY (CE)																	
% COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				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-ELIGIBLE)					
	OF WHICH USE OF PROCEEDS				OF WHICH USE OF PROCEEDS				OF WHICH USE OF PROCEEDS				OF WHICH USE OF PROCEEDS					
1	Financial guarantees (FinGuar KPI)	0.01%	-	-	-	-	-	-	-	-	-	-	-	31.57%	3.73%	-	0.07%	2.51%
2	Assets under management (AUM KPI)	1.84%	-	-	2.17%	-	-	-	0.25%	-	-	-	-	25.59%	7.65%	-	0.50%	4.10%

## Additional disclosure on Nuclear and Gas related activities

### 1 Nuclear and fossil gas related activities - Green Assets Ratio - Stock

NUCLEAR ENERGY RELATED ACTIVITIES		YES/NO
4.26	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	NO
4.27	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	NO
4.28	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		YES/NO
4.29	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	YES
4.30	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
4.31	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

## 2 Taxonomy-aligned economic activities (denominator) - CapEx based

(CZK '000)

ECONOMIC ACTIVITIES	AMOUNT AND PROPORTION					
	TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
1 Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
2 Taxonomy-aligned economic activities (denominator) - 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	32 244	0,00%	32 244	0,00%	-	-
3 Taxonomy-aligned economic activities (denominator) - 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	161 218	0,02%	161 218	0,02%	-	-
4 Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
5 Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
6 Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
7 Taxonomy-aligned economic activities (denominator) - 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	3 311 056	0,51%	3 309 370	0,51%	1 686	0,00%
8 Taxonomy-aligned economic activities (denominator) - Total applicable KPI	3 504 518	0,54%	3 502 832	0,54%	1 686	0,00%

## 2 Taxonomy-aligned economic activities (denominator) - Turnover based

(CZK '000)

ECONOMIC ACTIVITIES		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
2	Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
3	Taxonomy-aligned economic activities (denominator) - 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	135 423	0,02%	135 423	0,02%	-	-
4	Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
5	Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
6	Taxonomy-aligned economic activities (denominator) - 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	-	-	-	-	-	-
7	Taxonomy-aligned economic activities (denominator) - 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	1 651 077	0,25%	1 651 077	0,25%	-	-
8	Taxonomy-aligned economic activities (denominator) - Total applicable KPI	1 786 501	0,28%	1 786 501	0,28%	-	-

### 3 Taxonomy-aligned economic activities (numerator) - CapEx based

(CZK '000)

ECONOMIC ACTIVITIES		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (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	-	-	-	-	-	-
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	32 244	0,92%	32 244	0,92%	-	-
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	241 827	6,90%	241 827	6,90%	-	-
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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	3 230 447	92,18%	3 228 761	92,13%	1 686	0,05%
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	3 504 518	100,00%	3 502 832	99,95%	1 686	0,05%

### 3 Taxonomy-aligned economic activities (numerator) - Turnover based

(CZK '000)

ECONOMIC ACTIVITIES		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	499 777	27,98%	499 777	27,98%	-	-
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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	1 286 724	72,02%	1 286 724	72,02%	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	1 786 501	100,00%	1 786 501	100,00%	-	-



#### 4 Taxonomy-eligible but not taxonomy-aligned economic activities - CapEx based

(CZK '000)

ECONOMIC ACTIVITIES		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	112 853	0,02%	112 853	0,02%	-	-
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	290 193	0,04%	290 193	0,04%	-	-
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	96 731	0,01%	96 731	0,01%	-	-
7	<b>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</b>	<b>166 210 724</b>	<b>25,59%</b>	<b>166 210 724</b>	<b>25,59%</b>	<b>(0)</b>	<b>-</b>
8	<b>Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI</b>	<b>166 710 500</b>	<b>25,66%</b>	<b>166 710 500</b>	<b>25,66%</b>	<b>(0)</b>	<b>-</b>

#### 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover based

(CZK '000)

ECONOMIC ACTIVITIES		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	354 680	0,05%	354 680	0,05%	-	-
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	193 462	0,03%	193 462	0,03%	-	-
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	16 122	0,00%	16 122	0,00%	-	-
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	166 858 274	25,69%	166 856 796	25,69%	1 477	0,00%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	167 422 538	25,77%	167 421 060	25,77%	1 477	0,00%

## 5 Taxonomy non-eligible economic activities

(CZK '000)

ECONOMIC ACTIVITIES	TURNOVER		CAPEX	
	AMOUNT	PERCENTAGE	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	-	-	-	-
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	-	-	-	-
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	-	-	-	-
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	-	-	-	-
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	-	-	-	-
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	-	-	-	-
7 <b>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</b>	<b>480 039 999</b>	<b>73,90%</b>	<b>478 923 564</b>	<b>73,73%</b>
8 <b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>480 039 999</b>	<b>73,90%</b>	<b>478 923 564</b>	<b>73,73%</b>

# ESRS E1 - Climate Change

## Strategy

### E1-1 - Transition plan for climate change mitigation

In line with the effort sustained the previous years, in 2024 UniCredit Group adopted a Transition Plan to support the achievement of our Net Zero targets for financed and own emissions, and to convert our commitments into actions.

It was mainly shaped in line with Net Zero Banking Alliance (NZBA) requirements and the Glasgow Financial Alliance for Net Zero (GFANZ), thus responding to CSRD requirements related to E1 standard on Climate Change.

UniCredit Group transition plan supports UniCredit Group ambition to become a Net Zero Bank by 2050 through the achievement of our 2030 Net Zero intermediate targets on financed emissions defined for six of the most carbon-intensive sectors, outlined by NZBA. The 2030 Net Zero targets have been defined in line with NZBA principles and guidance, international standards, best market practices and 1.5°C degree pathways. For more details, please refer to E1-4 Targets related to climate change mitigation and adaptation section.

The targets have been set considering the UniCredit Group as a whole, in line with UniCredit Group commitment to NZBA. The approach reflects UniCredit Group belief in the importance of collective accountability and UniCredit Group-wide consistency when addressing global challenges like climate change. By adopting a centralised framework, UniCredit Group aim to foster coherence in our efforts, leverage synergies across business units, and maintain a unified strategic direction.

UniCredit Group targets of Net Zero on own emissions (Scope 1 and 2 market-based) and on financed emissions (Scope 3, Category 15) are in line with the objectives of the Paris Agreement.

Specifically, UniCredit Group is not excluded from the EU Paris-aligned benchmarks.

#### Decarbonisation levers and key actions

##### Own emissions

While financed emissions account for the greatest share of UniCredit Group's climate impact, the management of our operational environmental footprint is also key to becoming a Net Zero bank. UniCredit Group's ambition is to reach Net Zero on its own emissions (Scope 1 and 2, market-based) by 2030.

Levers on path towards Net Zero include renewable electricity sourcing, alongside space optimisation, energy efficiency measures, and heating systems transformations.

More details on actions implemented and planned are provided in the E1-3 Actions and resources in relation to climate change policies section.

##### Financed Emissions

Financed emissions account for most of UniCredit Group's climate impact, therefore their reduction is considered essential to becoming a Net Zero bank.

To achieve UniCredit Group's ambition for each sector, UniCredit Group started working with UniCredit Group's portfolio of clients to define how to reduce UniCredit Group's impact. Identified levers differ from sector to sector.

##### Oil & Gas

With regard to the Oil & Gas sector, traditional business models are increasingly under pressure because the effects of climate change are worsening, with energy security becoming even more relevant. While the investments into clean-energy projects are increasing, tailored solutions are required based on geography, off-take industry, and infrastructure availability. For this reason, the industry's engagement will be key in the upcoming decades. A key strategic challenge for Oil & Gas companies is aligning existing skills and capital with new requirements of energy transition.

In this scenario, UniCredit Group believes that Oil & Gas players have several opportunities to play a meaningful role in the energy, therefore UniCredit Group is working to encourage the industry transition on multiple fronts:

- engaging with clients to educate them about transition and make them aware of the importance of clear transition plans as a pre-requisite for transition project financing;
- rebalancing UniCredit Group's loan portfolio:
  - supporting clients investing in alternative, more sustainable fuels

- gradually reducing the financing of the most carbon-intensive activities;
- collaborating in sector-led initiatives and new ventures for sector technology innovation, even when solutions are not yet fully mature;
- assisting clients in diversifying activities, helping them address sector challenges linked to the energy crisis, such as the need to provide energy security.

UniCredit Group considers this sector fundamental to scale-up crucial technologies such as hydrogen, hydrogen derivatives, biofuels, and carbon capture, utilization and storage (CCUS) so UniCredit Group is also promoting sector-based initiatives that facilitate their growth and spread. For the past three years, UniCredit Group has sponsored the World Hydrogen Congress, an event which brings together thousands of experts and professionals encouraging knowledge sharing and innovation of this budding industry. Since 2021, we have also been a member of the European Clean Hydrogen Alliance, established by the European Commission to support the development of green hydrogen projects to drive the energy transition. Through this alliance, UniCredit Group successfully contributes to the deployment of low carbon solutions across Europe, working closely with key industry players and regulators. The alliance also enables us to stay abreast with the latest developments in the rapidly growing green hydrogen and hydrogen derivative sectors.

Financing biofuels plays a crucial role in transitioning the Oil & Gas sector, indeed it significantly contribute to reduce greenhouse gas emissions and promote a circular economy as the sector can leverage on existing infrastructure and technical expertise for its production and distribution.

Biofuels are a cornerstone of achieving the European Green Deal objectives and support the renewable energy targets by fostering energy independence. This technology also plays an active role in the decarbonization targets of other European directives such as the Renewable Energy Directives, which highlight the importance and set quotas for advanced feedstocks in when replacing fossil fuels in transport and other industries. Specifically, biofuels have a wide range of applications as they usually act as 'drop-in' fuels easily substituting their fossil counterparts. For example, biomethane has the lowest carbon abatement cost compared to other renewable fuels, making it a highly efficient technology.

In line with UniCredit's strategy to support the energy transition, we have supported a number of infrastructure funds, such as DWS, MEAG, and Igneo, in their acquisition and development of their biogas and biomethane portfolios, who aim to expand the biofuel production and target the advanced feedstocks furthering the development of the green fuel industry.

## **Power Generation**

In Power Generation sector UniCredit Group's strategy is primarily focused on supporting our clients to shift from fossil fuel energy production to more sustainable sources of energy (e.g. pure renewables).

To this extent, UniCredit Group's industry experts work with clients that want to refocus their business model and also with clients that want to further invest in renewable energy projects. Thanks to our extended network, UniCredit Group is also able to serve pure renewable players through project financing initiatives, especially in wind, photovoltaic and advisory activities.

Through sector-specific events, UCB CZSK was also involved in discussions on the best approach for the energy transition. For example, UCB CZSK is a member of the Solar Association, the largest professional association of solar energy entrepreneurs to promote technical, legislative and economic conditions for the operation of the renewable energy sector. We are also a partner of Climate & Sustainable Leaders, a unique platform in the Czech Republic to foster sustainability and climate protection.

## **Automotive**

The automotive sector is a pillar of the global economy and at the same time one of the major contributors to climate change. Road transport in Europe accounts for around one fifth of greenhouse gas (GHGs) emissions.

Europe, driven by its ambitious Fit for 55 legislation targets, is expected to electrify rapidly as all new cars sold in the EU will need to have zero tailpipe emissions by 2035 (Source: europa.eu). However, some European companies have scrapped their car electrification targets, citing challenges such as regulatory uncertainty, rising production costs, and increasing competition.

Our strategy for the automotive sector aims to support our clients in their transition path and achieving their own targets, helping them in seizing new market opportunities across their value chain (including EV battery manufacturing, infrastructure management, etc.)

as they shift towards low-emission vehicles. We have started to actively work with a range of our clients, including some of the top car manufacturers in the market, to finance specific projects entirely dedicated to electric vehicle production, such as finance for a new dedicated factory.

Our holistic industry approach ("In Motion"), combines the expertise of all our specialists along the total automotive value chain, from natural resources to recycling, with the support of the investments into new technology to support the sector in its transformation towards zero emission mobility.

## **Residential real estate**

For this segment, transitioning to net-zero buildings requires Government initiatives as well as dedicated financial tools.

Firstly, Government intervention and adequate incentive schemes will be crucial enablers for the decarbonisation path. It is essential to have coordinated policies that support an improvement in the energy consumption mix for the existing building stock (e.g., through an increase in the share of renewables within each country's electricity supply), while at the same time providing the right incentives to increase renovation rates, especially in the poorest areas and those with more heritage buildings, and a lower net zero assets construction rates.

UniCredit Group will monitor the progress of the sector regulatory framework and incentive system and at the same time UniCredit Group will continue to support clients who want to reduce the carbon footprint of their homes, also designing and providing dedicated product offering.

### **Resources to support our Transition Plan**

With regard to the operational and capital expenditures (OpEx and CapEx) for supporting UniCredit Group commitment to Net Zero, UniCredit Group established a dedicated Net Zero project at Group level, which was initially set up in 2022 and is led by a cross-functional team. This project brings together ESG, Finance, Risk Management, Business and Digital teams to identify and implement the key actions needed to define and support UniCredit Group's transition strategy, involving 150 employees.

In addition, UniCredit Group is also leveraging the Bank's existing ESG functions, such as ESG advisory experts, that have pivotal roles in the client engagement process. Furthermore, at a local level UniCredit Group benefit from dedicated expert roles. For example, UniCredit Group has set up a team of ESG Experts to support Relationship Managers in the origination and structuring of ESG deals for corporate clients across all Italian commercial regions.

To provide all involved UniCredit Group functions with relevant Net Zero information and methodologies needed to effectively implement transition strategy, UniCredit Group has invested in UniCredit Group's ICT infrastructure to enhance supporting tools and introduce new functionalities, for example:

- structuring and automatizing Net Zero data input and output flows for monitoring and reporting activities;
- introducing clients' transition plans assessment functionalities;
- displaying Net Zero relevant data by client (including their environmental impact, cluster and recommended strategy) to business network leveraging on existing dashboards;
- enabling business colleagues to simulate Net Zero impact at single deal and portfolio level;
- allowing the identification and segregation of deals aiming to support the transition of clients.

UniCredit Group delivered dedicated Net Zero training sessions at group-level for UniCredit internal functions involved in all operating countries during the year. Colleagues in the interested functions have been involved in six hours of training, including Net Zero fundamentals, Clients' transition plans assessment methodology, Clients' Net Zero engagement strategies together with Net Zero's implications for the credit process, and transition finance.

It should be noted that the amount of financial resources invested in ICT infrastructures for the action plan is not material.

### **Alignment of our Transition Plan with the overall business strategy**

In UniCredit Group clients are put at the center decision-making, and UniCredit Group is directly influenced by their needs. It is responsibility to support them in their own just and fair transition as UniCredit Group progresses towards its ESG targets, leveraging on Net Zero commitment and Transition Plan as stated in UniCredit Group's new ESG Strategic Framework and consistently with its ESG Strategy.

As a consequence, UniCredit Group is working to increasingly embed Net Zero into core banking processes, such as the financial, risk and business processes.

For instance, starting from 2023 UniCredit Group included Net Zero in target setting, breakdown, and cascading activities into existing planning processes, assigning clear responsibilities within existing governance and setting up adequate tools to systematically gather and model all data required.

As part of this effort, UniCredit Group has also aligned its Remuneration Policy to Net Zero objectives.

We introduced Net Zero KPIs in the Sustainability section of our Top Management long-term performance conditions. For more details on our Remuneration Policy, please refer to GOV-3 Integration of sustainability-related performance in incentive schemes section.

UniCredit Group introduced Net Zero KPIs in the Sustainability section of Top Management long-term performance conditions. The Sustainability section (non-financial section of the scorecard) has a 20% weight of the overall long-term scorecard which is valid at the level of the UniCredit Group and as well UCB CZSK.

With the Transition Plan UniCredit Group is continuing and even strengthening the support to clients, accelerating their transition and providing them with effective advisory, tools and appropriate financing solutions. UniCredit Group is empowering clients and communities by financing renewable energy projects and energy efficiency efforts.

UniCredit Group business functions are focused on supporting clients that are more advanced in their decarbonisation strategy and engaging clients still in the early stage of their transition path. Therefore, UniCredit Group developed a specific methodology and process based on a dedicated climate and environmental questionnaire to evaluate and cluster clients' transition pathway. Furthermore, UniCredit Group introduced sector-specific policies that commit us to stop financing controversial carbon-intensive activities, such as energy production from thermal coal and the most impactful oil and gas operations (e.g. tar sands, fracking, ultra-deepwater drilling, arctic extraction, etc.) and to phase out similar financing that had been granted in the past before the policies came into effect. UniCredit Group continually updates its policies to ensure that the most recent evolution of related risks is considered and properly managed.

The UniCredit Group's Transition Plan was approved by the UniCredit Group CEO during the Group Executive Committee meeting and finally reviewed by the Board of Directors in February 2024. Same formal process had been followed for the approval and review of Net Zero intermediate 2030 targets before disclosure to the market.

### **Progress in the implementation of our Transition Plan**

Throughout the year, UniCredit Group turned commitment into actions, cascading the Net Zero transition plan, already set up in 2023, to the whole Group and involving all the relevant functions of the Bank to deploy the actions identified. For more details, please refer to E1-4 Targets related to climate change mitigation and adaptation section.

Starting from the inaugural plan, UniCredit Group has updated the identified activities on the basis of ESG Strategy, regulatory evolution and stakeholder expectations. UniCredit Group adapted the plan to cope with the new Net Zero sectors (i.e. Steel, Commercial and Residential Real Estate and Shipping) as UniCredit Group wants to accompany their own transition. To this extent, we consider it crucial to keep pace in a dynamic context and properly manage all emerging needs to reach Net Zero targets.

In 2024, UniCredit Group achieved good progress in the journey to Net Zero in terms of Implementation plan, Governance and Dialogue with stakeholders.

### **Implementation plan**

In order to operationalize targets, UniCredit Group has set and are following a cross-functional implementation plan, which defines how UniCredit Group integrates Net Zero considerations into all core business activities and decision-making processes and is based on the following key components:

1. Target setting to ensure UniCredit Group structurally embeds Net Zero into planning and our targets at group and local ;
2. Monitoring to effectively track progress against targets and to identify corrective measures in case of deviations;
3. Risk management to ensure UniCredit Group adequately manages the different risks (reputational risk, climate and environmental risk and credit risk) linked to our clients' transition to more sustainable business models;
4. Products and services to effectively assist our clients' journeys to Net Zero;
5. Supporting tools to ensure the organization has all the relevant information to operate in this space.

#### **1. Target setting**

The target setting process is a critical backbone to be aligned with the expectations set by NZBA. The process involved a broad cross-functional working group with an active support from our ESG, Risk Management, Finance and Business functions.

We initially established a set intermediate 2030 targets on Oil & Gas, Power Generation and Automotive, UniCredit Group added new intermediate targets for Steel in January 2024, and Shipping and Commercial Real Estate in July 2024, together with the 2022 baseline for Residential Real Estate. For more details, please refer to E1-4 Targets related to climate change mitigation and adaptation section.

To reinforce the strategic direction and orient the UniCredit Group, the planning process have been adapted to incorporate the new commitments so once 2030 targets were set at UniCredit Group Level, they were broken down by division and cascaded to the whole organization.

#### **2. Monitoring**

UniCredit Group has set up a dedicated process to track Net Zero KPIs evolution vis-à-vis baseline and targets. This is fundamental to the effective and timely steering of loan portfolio and requested also by NZBA.

The Net Zero monitoring process also demands strong collaboration between all Net Zero-involved functions (Risk Management, Finance, ESG, Digital and Business) given high interdependencies for targets breakdown, targets cascading and data strategy. It requires that we not only track the evolution of our exposure on existing clients, but also that UniCredit Group periodically refreshes climate data for the calculation of climate impact.

Thanks to the new monitoring process UniCredit Group has put in place, starting from 2024 UniCredit Group is able to provide business functions with dedicated periodic reports on Net Zero impact evolution, including all underlying drivers needed to steer Net Zero portfolio.

As for target setting, UniCredit Group is progressively extending monitoring activities to new sectors: in 2023, UniCredit Group started with Oil & Gas, Automotive, and Power Generation; in 2024, UniCredit Group included Steel and, in parallel, are working on the inclusion of data for Shipping and Commercial and Residential Real Estate for the beginning of 2025.

#### **3. Risk management**

As a result of commitment to sustainability, UniCredit Group and also UCB CZSK begun integrating Net Zero considerations into Risk Management Framework for three priority sectors, continuing and building on previous efforts to incorporate risk climate and environment over the past few years.

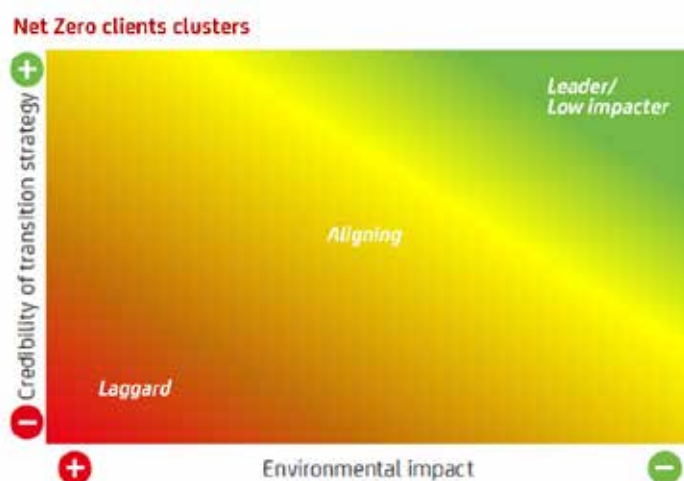
Specifically, UniCredit Group and also UCB CZSK:

- updated Oil & Gas policy by integrating Net Zero provisions as a driver for the reputational risk evaluation and assessment;
- released more comprehensive qualitative guidelines to incorporate Net Zero commitments in credit risk Strategies;



- defined and embedded Net Zero client strategies into the credit process.

Specifically Net Zero client strategies aimed at further tailoring UniCredit Group's approach to the needs of different clients. First, UniCredit Group clustered its Net Zero clients based on their actual impact on financed emissions and on their forward-looking transition strategy, thereby identifying transition leaders, clients aligning to transition and laggards vis-à-vis transition. The next step was to set differentiated engagement strategies by client cluster and sector, ranging from retaining/expanding relationship with leaders to active engagement of aligning clients and gradual reduction of support to laggards. In all cases, UniCredit Group regard green and transition finance as a key lever to assist clients' transition, especially for those who are not yet leaders on the transition journey.



To ensure approach is based on solid ground and UniCredit Group is actively supporting its clients progressing in their transition, UniCredit Group adopted a bespoke approach for assessing clients' transition plans, when available, and to strategically engage with them on their decarbonization strategy.

Based on internationally recognized frameworks and initiatives on transition planning (e.g. GFANZ, CDP, CA100+), UniCredit Group has developed a cross-industry questionnaire, measuring qualitative and quantitative elements for evaluating the completeness of clients' transition plans, including current and forward-looking key indicators such as historical emissions, targets, risk management, the governance and strategy in place. Depending on the coverage of these indicators, questions and answers are converted into a qualitative score on a scale from 0% to 100% determining three possible assessments (developed transition strategy, early-stage transition strategy and absent transition strategy). In 2024 UniCredit Group started testing this approach with pilot cases and plans to extend it to all Net Zero sectors' clients. Furthermore, UniCredit Group also plans to rely on external experts to further strengthen its understanding of clients' transition plans. This approach represents a fundamental part of Net Zero engagement strategy to facilitate insightful and data-driven discussions with existing and prospective clients regarding new opportunities to finance their transition and mitigate potential risks.

#### 4. Products and services

UniCredit Group is supporting many of clients with dedicated products such as green loans (aligned to market standards such as EU Taxonomy or ICMA), green financing in partnership with public entities at local and European level (e.g. Kreditanstalt für Wiederaufbau, European Investment Fund, etc.), sustainability-linked loans and much more.

Moreover, since starting Net Zero journey UniCredit Group realized that supporting clients with dedicated transition finance is key to reaching our Net Zero ambition.

Therefore, UniCredit Group has established own internal definition of transition finance based on EU Commission recommendations and included it in our ESG Product Guidelines at the end of 2023 that apply to all UniCredit Group countries. They aim to define a comprehensive methodology for the homogeneous classification and reporting of UniCredit Group's ESG products and services defining the criteria for eligibility and at the same time to protect the Group against greenwashing and social washing risks. The guidelines also require clients to have transition plans certified by a third party to access transition finance, so that UniCredit Group ensures that the required financing is dedicated to eligible transition initiatives.

Finally, to effectively identify which of products are most effective for our clients, UniCredit Group will continue to leverage dedicated ESG functions, such as the ESG advisory team, which helps business network colleagues analyse clients' ESG needs and identify the most appropriate products to support them.

## 5. Supporting tools

To provide all involved UniCredit Group functions with relevant Net Zero information and methodologies needed to effectively implement transition strategy, UniCredit Group is also upgrading supporting tools and introducing new functionalities, for example:

- Introducing clients' transition plans assessment functionalities into existing tools;
- displaying Net Zero relevant data by client (including their impact, cluster and recommended strategy) to business network leveraging on existing dashboards;
- enabling business colleagues to simulate Net Zero impact at single deal and portfolio level through dedicated tools;
- allowing the identification and segregation of deals aiming to support the transition of clients, on the basis of internal definition of transition finance (founded on EU Commission recommendations and included it in our ESG Product Guidelines at the end of 2023).

In addition, In March 2023 UniCredit Group joined the Open-es partnership, an Alliance that brings together entrepreneurial, financial and associated networks. Through Open-es UniCredit Group has strengthened support for clients in their sustainable development with a digital and innovative platform that provides them with an ESG scoring, provided by Cerved Rating Agency, and also allows to pursue clients' decarbonisation path.

All the additional tools and new functionalities described above were designed and finetuned during the last two years with the involvement of cross-functional working groups from the ESG, Risk Management, Business and Digital functions.

## Governance

In order to support commitment to Net Zero, established a dedicated Net Zero project at Group level, which was initially set up in 2022 and is led by a cross-functional team. This project brings together ESG, Finance, Risk Management, Business and Digital teams to identify and implement the key actions needed to define and support transition strategy.

As a key part of Transition Plan, UniCredit Group is working to increasingly embed Net Zero into our core banking processes, such as the planning, risk and business processes.

In terms of clients, UniCredit Group is leveraging the Bank's existing ESG functions, further promoting crucial capabilities, such as ESG advisory experts, that have pivotal roles in the client engagement process.

Furthermore, at the local level, UniCredit Group benefits from dedicated expert roles. For example, UniCredit Group has set up a team of ESG Experts to support Relationship

To support enhanced ESG governance processes and maintain Net Zero momentum, during the year UniCredit Group delivered dedicated Net Zero training sessions at UniCredit Group level for UniCredit internal functions involved in all operating countries.

UniCredit Group training focused on the key skills and knowledge needed for Net Zero decision-making, including basic training on Net Zero fundamentals, clients' transition plans assessment methodology, Net Zero engagement strategies and their implications for the credit process, and transition finance and its applicability for Net Zero clients. UniCredit Group is planning to deliver new courses in order to cover emerged learning needs derived by extending targets and sectors.

## Dialogue with stakeholders

UniCredit Group constantly engages with sector associations to contribute to shape the financial institutions' role in supporting the real economy transition. A constant dialogue with key external stakeholders and dynamic environment is fundamental to ensure a shared approach to reach Net Zero targets.

For example, UniCredit Group are taking part in NZBA working groups where UniCredit Group provide feedback to set clear guidelines and standards. Furthermore, we maintain an active dialogue with policymakers and regulators on Net Zero through sector associations such as the Institute of International Finance (IIF), the Association for Financial Markets in Europe (AFME) and the European Banking Federation (EBF), which provide input and feedback on the role of financial institutions in achieving climate goals, on the framework for transition finance and on transition planning.

UniCredit Group held its second ESG Day "A challenged future: choosing the path ahead": the event, with more than 13,000 participants, built as a customer journey to provide concrete solutions to the clients. The session entitled "A zero-sum game? Solving sustainability trade-offs", hosting relevant energy sector' guests, highlighted the need to manage conflicting interests as part of the transition, with meaningful action, balancing environmental, social and biodiversity issues.

The event also provided a moment to formally launch the workers' stream of its "Skills for Transition program", which delivers strategic training to the workforce of companies expected to be impacted by the green transition, helping them to develop the skills they need to meet the need of a changing environment whilst generating a measurable social impact. Fully funded by UniCredit Group, the programme spans also in Czech Republic and Slovakia, delivering specific learning paths via a digital platform and in workers' local languages.

## Impact risk and opportunity management

For the disclosure of Climate change IROs, reference is made to Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Climate and environmental risks.

## E1-2 - Policies related to climate change mitigation and adaptation

UniCredit Group's commitment to Net Zero emissions is fostered through specific policies on climate change, which address material impacts, risks and opportunities resulted from the Double Materiality Assessment:

### Impacts:

- generation of direct and indirect energy GHG emissions (Scope 1 and 2);
- generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the downstream value chain (Scope 3 - Only 15 category);
- generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the upstream and downstream value chain (Scope 3 - All categories except financed);
- fostering awareness and commitments related to climate change and accelerating the green transition through the support towards energy efficiency initiatives and renewable sources financial projects across counterparties for the next years;

### Risk:

- credit risk: impact on credit risk portfolio due to deterioration of the counterparty's creditworthiness due to damage, caused by acute and chronic events, to the counterparty's plants and production sites and decrease in the recoverable amount/market values of collateral due to damage, caused by acute and chronic events;

### Opportunities:

- investments in the implementation of green/environmental projects;
- creation of new products and services to support clients in their transition journey towards their decarbonization targets;
- invest in/finance green tech (start-ups) and also access new markets (e.g., carbon emissions trading).

In particular, the Smart Office Workplace policy focuses on space and energy consumption optimisation and curbing GHG emissions in the Bank's offices worldwide. Sector-specific policies (covering Civil Nuclear, Coal, Defence, Mining, Oil & Gas, Tobacco, and Water infrastructure) address climate change adaptation and mitigation strategies among UniCredit Group's credit portfolio: these policies aim to manage financed GHG emissions and mitigate risks associated with counterparties' financial stability, which may be affected by climate-related events that could harm their production sites and reduce the market value or recoverability of collateral. Additionally, the ESG Product Guidelines include a comprehensive methodology for classifying and reporting UniCredit Group's ESG offering, with a focus on financing energy efficiency, renewable energy deployment, and climate change mitigation and adaptation initiatives: this represents a possibility for UniCredit to invest in green projects while creating new ESG products.

For more details on climate-related policies, please refer to MDR-P Policies adopted to manage material sustainability matters section.

## E1-3 - Actions and resources in relation to climate change policies

Decarbonisation lever types for both own emissions and financed emissions are covered in the E1-1 Transition plan for climate change mitigation section.

### Progress achieved and expected actions on Net Zero targets

#### Own Emissions

In 2024 UniCredit Group's GHG emissions on own operations amounted 24 412 tCO<sub>2</sub>e (Scope 1); 16 702 tCO<sub>2</sub>e (Scope 2 market-based); 100 830 tCO<sub>2</sub>e (Scope 2 location-based); 285 848 tCO<sub>2</sub>e (Scope 3 - excluding category 15). For the present disclosure, comparisons with historical data are not possible due to the changed reporting perimeter versus previous years. However, as in previous years, in 2024 we prioritised efforts to abate climate impacts arising from our own operations.

Indeed, UniCredit Group holds itself to the same standards that UniCredit Group expects from its partners, and UniCredit Group has established well-defined objectives to contain environmental footprint, in particular the reduction of GHG emissions arising from own operations. This includes reducing energy consumption mainly through space optimization measures, procuring electricity from renewable sources, improving the energy efficiency of premises and data centres, and transforming heating systems from fossil fuels to more sustainable sources (heating pumps or district heating).

UniCredit Group was the first bank in Italy to close a corporate PPA (Power Purchase Agreement) to meet the energy demand of our data centres located in Verona, Italy. This agreement strengthens UniCredit's Group-wide Green Energy Procurement strategy, serving as a best practice across our geographies.

In addition to renewable energy sourcing, UniCredit Group is also committed to improving space and energy efficiency in our buildings. In 2023, UniCredit Group introduced a new Smart Office Workplace Policy to define space efficiency KPIs and provide guidelines on energy efficiency measures and improve the quality of the built office environment with a focus on hybrid solutions, health, well-being and sustainability.

In light of the hybrid way of working we have optimized the footprint of our headquarters (HQ) by releasing selected buildings and creating newly refurbished spaces while improving the space occupancy in our premises during holiday periods.

In most of UniCredit Group buildings, UniCredit Group continues to work towards consolidating our efforts on energy efficiency by applying smart energy control systems, improving thermal insulation and implementing LED solutions. Moreover, UniCredit Group has improved the algorithms that manage Heating, Ventilation, and Air Conditioning (HVAC) and lighting controls, optimising both energy consumption and workplace comfort.

UniCredit Group's guidelines for dedicated energy management measures, launched at the end of 2022 in response to the global energy crisis, allow to continuously reduce our energy consumption thanks to specific actions including heating and cooling systems working hours reduction, sustainable temperature set-points and lighting time frame reduction.

Natural gas, diesel, and oil heating systems transformations (to electrical heat pump or district heating) is always considered a preferred option in case of planned maintenance replacement.

Moreover, renewable energy sourcing is a crucial step on our path towards Net Zero on own emissions. UniCredit Group also makes use of self-produced renewable electricity at selected premises.

UniCredit Group target is set to Net Zero on own emissions (Scope 1 and 2 market-based) by 2030. Within the premises UniCredit Group occupies, the efforts towards the achievement of this target consist of reducing as much as possible from UniCredit Group operational consumption and procuring energy from green/renewable sources.

In 2024 a total cash-out of ca. €30 million was carried out on the abovementioned related actions on our real estate building portfolio.

Based on the multi-year plan budget a total cash-out of ca. €60 million has been budgeted for actions on our real estate building portfolio with an impact on the Net Zero own emissions target.

UniCredit Group will continue to act on the following levers:

- space optimization;
- energy efficiency;
- heating system transformation: in the coming years, we are planning to transform a significant number of fossil fuel heating systems into highly efficient electrical heat pumps or district heating;
- electricity and District Heating/cooling purchased from certified renewable sources;
- self-produced electricity.

## Financed Emissions

Actions and progress made on financed emissions in respect to Net Zero 2030 intermediate targets are reported below for each sector and refer to 2023, in line with the latest climate data available on UniCredit Group's clients.

### Oil & Gas

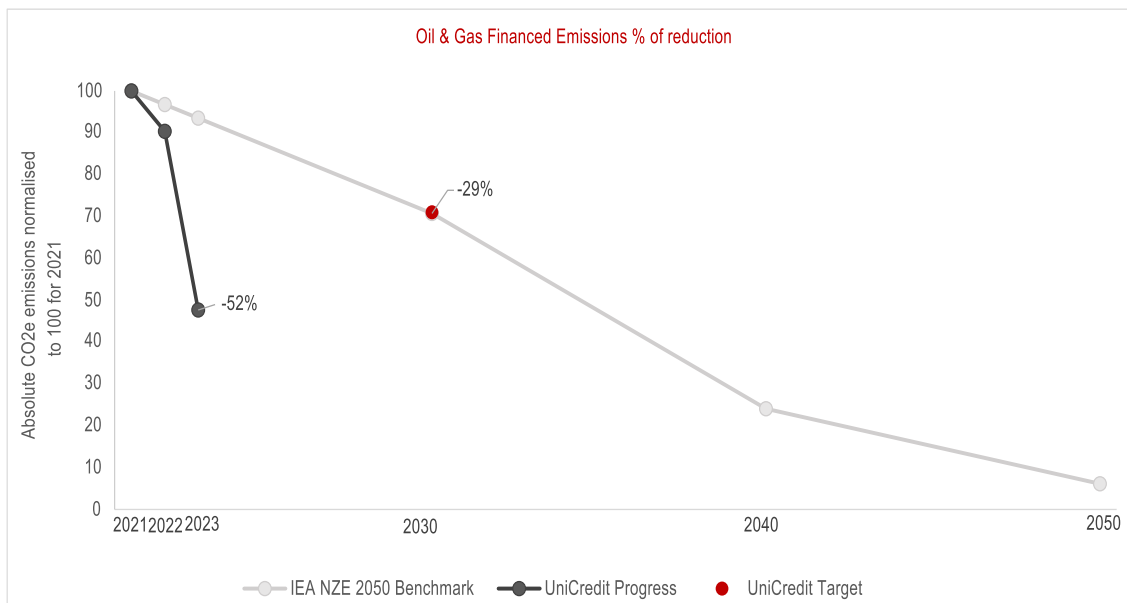
During the past years, UniCredit Group focused on engaging clients with clear transition strategies to actively support them in their transition path; on the other hand UniCredit Group kept reducing its exposure to clients not aligned with the transition and clients with high impact on sector Scope 3 emissions.

As results, in 2023 UniCredit Group's financed emissions decreased by -47% vs 2022 and more than 50% vs the 2021 initial baseline, moving to a value of 10.2 MtCO<sub>2</sub>e, below the UniCredit Group's 2030 target.

The reduction has been mainly driven by the deleveraging of non-strategic clients, with an acceleration in the reduction of Russian client exposure.

Despite the good results achieved so far, UniCredit Group currently confirms Net Zero Group target for 2030 of -29% vs 2021 baseline (i.e., 15.2 MtCO<sub>2</sub>e).

A potential temporary increase in financed emissions could materialize in the coming years, considering the volatility of the metric (e.g., the impact of potential change in EVIC) and the UniCredit Group's intention to support the transition of clients operating in the sector.



**In scope on balance sheet lending YE2023:**  
€4.7bn

**Financed emissions baseline YE2021:**  
21.4 MtCO<sub>2</sub>e

**Financed emissions YE2023 vs YE2021:**  
- 52% (to 10.2 MtCO<sub>2</sub>e)

**Financed emissions 2030 Target vs 2021: -**  
29%

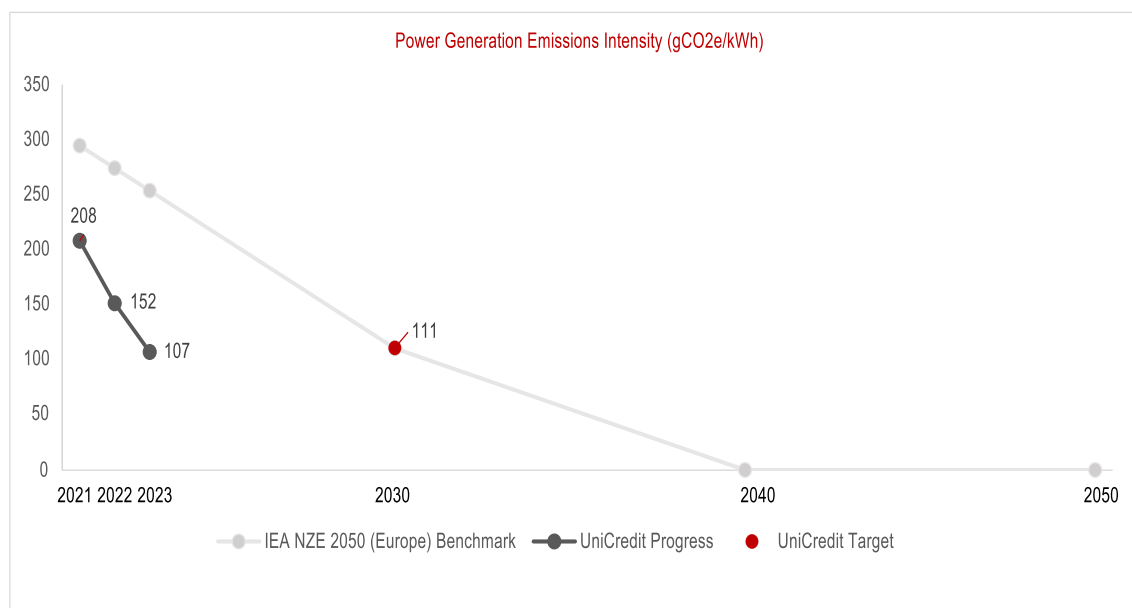
**Notes:**

IEA NZE 2050 Benchmark: Percentage reduction of the NZ IEA World scenario, including Oil & Gas only.

Financed emissions: Computed on portfolio in scope when data available (Scope 3 emissions for midstream companies not computed in line with current literature).

**Power Generation**

In 2023 the emissions intensity of UniCredit Group portfolio in the sector has further reduced compared to 2022 (-30%) moving to a value of 107 gCO<sub>2</sub>e/kWh, already below the 2030 intermediate target, and decreasing by 49% from the initial baseline. This positive trend was mainly achieved thanks to the increased exposure to counterparties operating in the renewables business ("pure" renewable players) and UniCredit Group's continued support to the traditional power producers who are increasing the share of renewables in their production mix, pursuing the climate transition. In 2023 approximately €5.5 billion of UniCredit Group's Power generation portfolio is related to lending to "pure" renewable players or green loans to traditional players to support power production from renewable sources. Although 2023 emission intensity is already below intermediate target for the sector, UniCredit Group currently confirms a target of 111 gCO<sub>2</sub>e/kWh for 2030 expecting a possible temporary increase of physical emissions in the coming years resulting from the UniCredit Group's support of green transition of traditional power producers and countries where UniCredit Group operates.



**In scope on balance sheet lending YE2023:**  
€9.8bn

**Emissions Intensity baseline YE2021:**  
208 gCO<sub>2</sub>e/kWh

**Emissions Intensity YE2023:**  
107 gCO<sub>2</sub>e/kWh

**Emissions Intensity 2030:**  
111 gCO<sub>2</sub>e/kWh

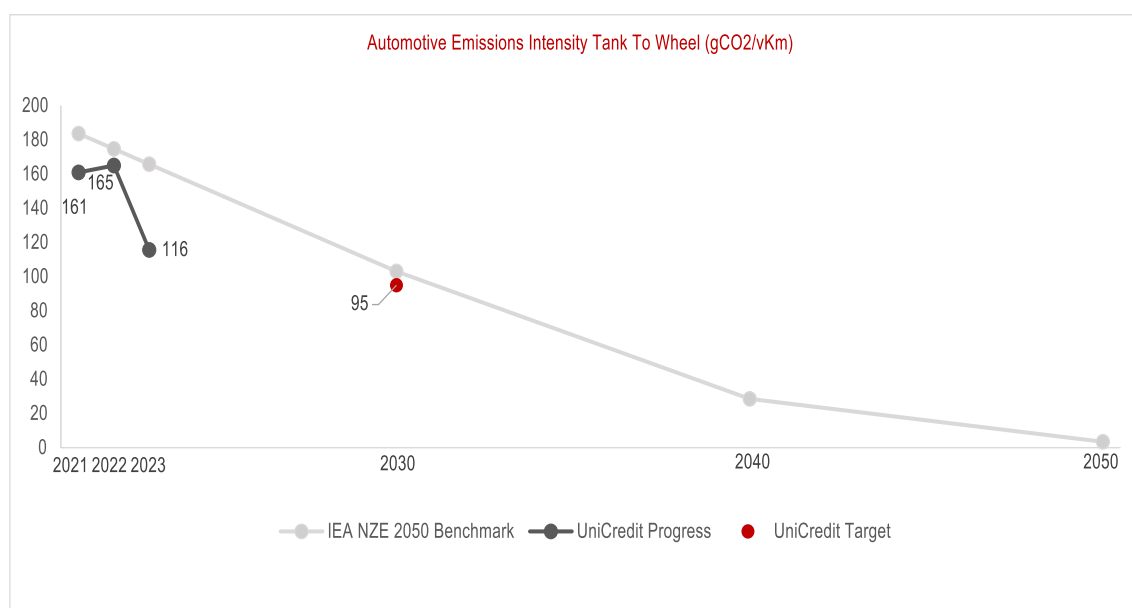
**Notes:**  
IEA NZE 2050 (Europe) Benchmark: Scenario scaled down to European level (excluding Ammonia and Hydrogen).  
Emissions Intensity: Computed on portfolio in scope when data available.

### Automotive

In 2023, the emissions intensity of UniCredit Group's loan portfolio decreased significantly compared to both 2022 and initial 2021 baseline, reaching 116 gCO<sub>2</sub>/vkm (-30% and -28% respectively vs. 2022 and 2021 baseline).

The reduction of UniCredit Group's metric is the result of the financing of projects dedicated to the production of electric vehicles (i.e., green loans to which UniCredit Group attributes a value of emissions intensity equal to 0), and the improvement of emissions data of the car manufacturers in portfolio who are progressively converting their production from vehicles with internal combustion engines to hybrid and electric vehicles.

To reach 2030 intermediate target, UniCredit Group will continue to support the transition plan of clients, as well as support new zero-emissions projects for the production of greener vehicles.



<b>In scope on balance sheet lending YE2023:</b>
€2.0bn

<b>Emissions Intensity baseline YE2021:</b>
161 gCO <sub>2</sub> / vkm

<b>Emissions Intensity YE2023:</b>
116 gCO <sub>2</sub> / vkm

<b>Emissions Intensity 2030 Target:</b>
95 gCO <sub>2</sub> / vkm

**Notes:**  
 IEA NZE 2050 Benchmark: World scenario on whole fleet.  
 Emissions Intensity: Computed on portfolio in scope when data available.

### Residential Real Estate

For the Residential Real Estate, UniCredit Group recently disclosed 2022 emissions baseline on mortgages to households with the intention to monitor progress in the sector.

Emissions intensity remained fairly stable in 2023, slightly decreasing from 36.3 to 35.8 kgCO<sub>2</sub>e /m<sup>2</sup> (-1.4%). The positive trend was mainly driven, as for Commercial Real Estate, by an increase in lending to buildings with better energy performance in Germany and Austria and the positive effect of German decarbonisation of the electricity grid.

For the future, UniCredit Group confirms its intention to support clients who want to reduce the carbon footprint while reiterating the importance of government intervention and adequate incentives as enablers for the decarbonization journey of the sector, even more than Commercial Real Estate sector, since it is related to the expenditure borne by individuals and families.

### Resources allocated to perform activities

The availability of ICT and HR resources are crucial to perform the activities related to the key components of our implementation plan, as described in the E1-1 Transition plan for climate change mitigation section.

A lack or the misallocation of the identified resources could compromise the success or feasibility of the action plan.

It should be noted that financial resources allocated to action plan (CapEx), mainly related to not material ICT investments as reported in the E1-1 Transition plan for climate change mitigation section, are accounted for in the line item "100. Intangible assets".

The current financial resources mentioned in the previous paragraph, are mainly related to CapEx, which are reflected in the table "9.6 Property, plant and equipment used in the business: annual changes", Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.

## Metrics and targets

### E1-4 - Targets related to climate change mitigation and adaptation

With regard to the relationship with policy objectives, please refer to MDR-P – Policies adopted to manage material sustainability matters section.

#### Net Zero target on own emissions

UniCredit Group has committed to pursuing Net Zero emissions on own operations (Scope 1 and 2, market-based) by 2030, without interim targets. UniCredit Group's target is compatible with limiting global warming to 1.5°C in alignment with the Paris Agreement objectives. The target applies to the UniCredit Group.

As of 2024 reporting, UniCredit Group has revised the base year of Net Zero target on own emissions to 2024, previously 2021.

In accordance with UniCredit Group's strategy, which recognizes that the most effective way of managing climate impact arising from own operations is to focus efforts on those facilities for which UniCredit Group has full management control, UniCredit Group applies a segmentation to the inventory of the premises UniCredit Group occupies. Thus UniCredit Group distinguishes those assets for which UniCredit Group has operational control and those for which UniCredit Group does not. Consequently, emissions from leased assets for which UniCredit Group does not have operational control are reported under Scope 3.

Renewable energy sourcing is a crucial step on path towards Net Zero on own emissions, along with space optimisation, energy efficiency, and transformation of fossil fuel heating systems into highly efficient electrical heat pumps or district heating.

A working group was established to disclose the target and monitor UniCredit Group's Net Zero trajectory. UniCredit Group has raised awareness on this fundamental goal among employees, for example by organizing dedicated workshops on Net-Zero on own emissions, involving UniCredit Group Real Estate, UniCredit Group Strategy and UniCredit Group ESG functions. This has offered colleagues an excellent opportunity to gain knowledge and insights on how to contribute to the achievement of Net Zero target.

#### Net Zero targets on financed emissions



In line with the NZBA commitment, ambition is for Net Zero on financed emissions by 2050.

To achieve that, UniCredit Group disclosed targets on six sectors (i.e., Oil & Gas, Power Generation, Automotive, Steel, Shipping and Commercial Real Estate of which the last three sectors are not relevant for UCB CZSK) and emissions baseline for Residential Real Estate. On Coal, phase out by 2028 strategy and related policy are already in place<sup>2</sup>.

Following a detailed review of financing portfolios, among the most carbon-intensive sectors identified by NZBA, UniCredit Group has identified three sectors where UniCredit Group does not have a material exposure: Aluminum, Cement and Aviation. In particular, each of them represents less than 1% of exposure to carbon intensive sectors, with lending on-balance sheet of less than €1 billion<sup>3</sup>. Given their low materiality, these sectors will not be considered for the UniCredit Group's Net Zero target setting. However, UniCredit Group will continue to monitor them to ensure its approach remains adaptable for future adjustments, if necessary.

On Agriculture, UniCredit Group will continue to monitor future developments of European and local policy frameworks for the sector as well as the evolution of recognized methodologies and data availability, being the prerequisites for working to define a decarbonization target and strategy, as outlined by the latest published NZBA guidelines.

### Key design choices for setting Net Zero targets on financed emissions

The process for baseline and target definition involved a broad cross-functional working group with support from ESG, Risk Management, Finance and Business functions. It entailed the development of a dedicated internal methodology to calculate emissions baseline and to project its potential future trajectory, based on Net Zero reference market practices (SBTi, PCAF, IEA) and on sector guidelines (e.g. by NZBA). It also required gathering new information from external and internal data sources and using tools to model the future evolution of financed emissions.

For the sectors in scope, the baseline and targets were defined on the emissions profile of UniCredit Group's lending portfolio (on-balance sheet exposure).

Baselines defined and disclosed for sectors in scope are confirmed and do not require any adjustment or restatement.

To define the Net Zero intermediate targets UniCredit Group used science-based decarbonisation scenarios, in line with NZBA guidelines. In selecting the reference scenario, UniCredit Group mainly considered the level of scenario ambition (i.e., whether it aligns to the Paris Agreement temperature goals and with a 1.5°C temperature target pathway), credibility of the scenario provider, possibility for geographical breakdown computation, level of detail provided for customisation.

UniCredit Group referred to the International Energy Agency (IEA) Net Zero 1.5°C scenarios (i.e., IEA NZ 2050 for Oil & Gas, Power Generation, Automotive, Steel, and Shipping), deriving, when needed and possible, sector-specific benchmarks and the CRREM v.2.01 scenario for Commercial Real Estate (also aligned to the 1.5°C pathway), tailored to the UniCredit Group's portfolio and geographies in scope.

In setting Net Zero targets, UniCredit Group has considered the impacts it has on climate while financing specific sectors. Also, potential risks and opportunities have been taken into account in order to ensure that UniCredit Group's targets are consistent with reality. Net Zero targets are aligned with climate-related policies' objectives.

The table and specific paragraphs below provide an overview of the sector-specific approach, data and metrics for the computation of emission baseline and the definition of the Net Zero intermediate target for each sector. The metrics used were chosen in line with market practices.

<sup>2</sup> Green financing is allowed beyond 2028 only for no coal developer (no increase in coal business since Sep. 2020) and if they have a phase out plan in line with their National Energy & Climate Plan.

<sup>3</sup> In parallel we constantly check that the sum of all excluded sectors for materiality reasons (e.g., Aluminum, Cement, Aviation) is not higher than the 3% of the total lending on balance of the carbon intensive portfolio.

## Net Zero targets and progress on financed emissions

SECTOR	SCOPE	VALUE CHAIN	METRIC	SCENARIO BENCHMARK	RETROSPECTIVE					MILESTONES AND TARGET YEARS			
					BASE YEAR	BASELINE	2022	2023	% 2023/2022	2025	2030	2050	ANNUAL% TARGET/ BASE YEAR
Oil & Gas	Scope 3 Category 11	Upstream, Midstream, Downstream	Absolute Financed Emissions MtCO <sub>2e</sub>	IEA NZ 2050 (World)	2021	21.4	19.3	10.2	-47%	N/A	-29%	N/A	-3%
Power Generation	Scope 1	Power Generation	Emissions Intensity gCO <sub>2e</sub> /kWh	IEA NZ 2050 (Europe)	2021	208	152	107	-30%	N/A	111	N/A	-5%
Automotive	Scope 3 Category 11 Tank-To-Wheel	Automotive Manufacturers (Light-duty Vehicles)	Emissions Intensity gCO <sub>2e</sub> /vKm	IEA NZ 2050 (World)	2021	161	165	116	-30%	N/A	95	N/A	-5%
Residential Estate	Real Estate	Operational emissions Homeowners (mortgages)	Emissions Intensity kgCO <sub>2e</sub> / m <sup>2</sup>	N/A	2022	36.3	36.3	35.8	-1%	N/A	N/A	N/A	N/A

### Notes:

Figures rounded.

Metric: Emissions intensity is exposure weighted.

Milestones and Target Years:

2025: UniCredit Group has defined the Net Zero intermediate targets for 2030;

2030: When expressed in %, the value refers to reduction vs base year;

2050: UniCredit is committed to Net Zero 2050 maintaining a reduction path in line with the NZ scenario for each sector;

Annual % target/base year: Average annual emissions reduction.

Fixed System Boundary: Fixed Boundary definition according to the Sustainable Steel Principles.

Residential Real Estate: Corresponding to Scope 1 and 2 or Scope 3 for building owners that leased assets.

Operational emissions: Focused on Italy, Germany, Austria (excluding Leasing).

## Oil & Gas

To calculate the baseline and target for Oil & Gas, the absolute financed emissions metric was used.

To ensure comprehensive emissions coverage, the end-to-end value chain was considered, including the upstream, midstream, and downstream segments of the oil and gas sector. The assessment of sector emissions focused on Scope 3 emissions, based on materiality (Scope 3 emissions account for approximately 90% of emissions in the sector).

Commodity traders were considered only above a materiality threshold of more than 2% of total portfolio financed production, and 1% of total counterparty financed production<sup>4</sup>.

To calculate Scope 3 financed emissions, the following data inputs were used:

counterparty-level emissions data: Scope 3 Category 11 emissions for each company are computed leveraging production data, as well as emissions factors for each technology type (e.g. oil, gas)<sup>5</sup>;

counterparty-level financial data: Company value and balance sheet lending is used to calculate UniCredit Group attribution factor (Exposure/Company Value). Following PCAF methodology, the company value was measured using the EVIC (Enterprise Value including Cash) with the dynamic approach. If unavailable (e.g., in the case of an unlisted company) UniCredit Group used the Book Value of Debt and Equity or Total Assets as a last resort.

Initial emissions baseline for Oil & Gas sector refers to year end 2021. Considering the selected design elements, the on-balance sheet lending in scope for the sector in 2021 is €7.8 billion (as of 31 December 2021).

The 2021 emissions baseline for the sector has been estimated at 21.4 MtCO<sub>2e</sub><sup>6</sup>.

Intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2021-2030.

To define the Net Zero target for the sector UniCredit Group compared emissions baseline with the IEA Net Zero 2050 scenario (World scenario including only Oil and Gas). UniCredit Group decided to define 2030 target in line with the percentage reduction 2021-2030 of the selected scenario, targeting a -29% reduction by 2030 vs. 2021 baseline (corresponding to a 15.2 MtCO<sub>2e</sub> at 2030).

## Power Generation

The portfolio-weighted physical intensity of carbon emissions per unit of energy was used as a key metric to calculate the baseline and set the Net Zero target.

<sup>4</sup> Diversified companies are included based on prevalence of the activity.

<sup>5</sup> Scope 3 emissions are computed for upstream, integrated and downstream companies. They are not computed for midstream companies, in line with current literature.

<sup>6</sup> Computed on portfolio in scope when data available.

Carbon emissions from power generation were considered since they account for more than 90% of total emissions in the power value chain. The focus was on Scope 1 emissions, the most material for the sector. Scope 2 and 3 emissions were not considered, given their small impact in the overall power value chain and because of limited data availability.

Counterparty-level production data, sourced from an external data provider, were used to calculate the emissions intensity. Scope 1 emissions were calculated by applying an emissions factor to the power generated by technology type. The emissions factor is computed from the IEA dataset, using total emissions and generation per technology type.

Initial emissions baseline for Power Generation sector refers to year end 2021. Considering the selected design elements, the on-balance sheet lending in scope for the sector in 2021 is €8.9 billion (as of 31 December 2021).

The 2021 emissions baseline for the sector has been estimated at 208 gCO<sub>2</sub>e/kWh. UniCredit Group's emissions intensity for 2021 is lower than the benchmark, reflecting the effort to finance cleaner projects and counterparties already in place at the time of baseline definition.

Intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2021-2030.

To define the Net Zero target for the sector, UniCredit Group compared emissions baseline with the IEA Net Zero 2050 scenario, scaled down to European level (excluding Ammonia and Hydrogen), because the majority of the UniCredit Group's portfolio is based in Europe.

A convergence approach has been chosen to define the 2030 target in line with the benchmark and market practices. 2030 Net Zero target value consequently defined equals 111 gCO<sub>2</sub>e/kWh.

### Automotive

The primary metric selected for the Automotive sector is the exposure-weighted physical intensity (gCO<sub>2</sub>/Km), on Scope 3 Category 11 Tank-to-Wheel (TTW) emissions intensity.

The analysis of the sector was focused on producers of Light Duty Vehicles, which include passenger cars and light trucks, in line with market practices and guidance, and with current data availability.

The assessment of the portfolio's emissions profile focused on Scope 3 Category 11 Tank-to-Wheel (TTW) emissions, on which auto manufacturers have more levers for decarbonisation, such as the shift to electric vehicles and improved fuel efficiency.

The following data inputs are used to calculate the emission- intensity: counterparty-level production data (number of vehicles produced, per technology type) and counterparty-level Scope 3 Category 11 TTW emissions of new vehicles sold, calculated by applying an emissions factor (CO<sub>2</sub>) to the production data, by technology type and manufacturer.

The initial emissions baseline for the Automotive sector refers to year-end 2021. Considering the selected design elements, on-balance sheet lending in scope for the sector in 2021 was €1.8 billion (as of 31 December 2021).

The 2021 emissions baseline for the sector has been estimated at 161 gCO<sub>2</sub>/ vKm,

Intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2021-2030.

The IEA NZE 2050 scenario was selected as the benchmark to measure portfolio alignment and define Net Zero target. The scenario reflects an emissions intensity target inclusive of the entire existing fleet, while the UniCredit Group's baseline is calculated based on emissions intensity associated with manufacturers' new vehicle sales only, based on external data availability and market practice.

2030 Net Zero target has been defined at 95gCO<sub>2</sub>/ vKm, below the value of the selected scenario at 2030 and implying a reduction of 41% compared to the 2021 baseline value.

### Residential Real Estate

For Residential Real Estate, UniCredit Group has not defined a Net Zero intermediate target so far, mainly due to uncertainty of regulatory framework and governments support. However, considering the relevance of the sector UniCredit Group decided to compute the emissions baseline and monitor its progress over time.

To support the sector's decarbonisation, UniCredit Group defined a Net Zero target for our residential real estate portfolio considering our three largest and most material geographies: Italy, Germany and Austria.

To calculate the emissions baseline for the sector, UniCredit Group selected the exposure-weighted emissions intensity in kilos of CO<sub>2</sub>e over square metres as reference metric<sup>7</sup>.

In line with industry guidelines and market practice, UniCredit Group defined the baseline for Residential real estate by considering retail mortgages portfolio<sup>8</sup>, which is the financing UniCredit Group provides to private individual clients to purchase or refinance residential premises. UniCredit Group analysed and computed its Group emissions baseline on its portfolio across Italy, Germany and Austria.

<sup>7</sup> Emissions intensity available for Italy as kgCO<sub>2</sub>/m<sup>2</sup> and for Germany and Austria as kgCO<sub>2</sub>e/m<sup>2</sup>.

<sup>8</sup> Exclusion of bad loans; only lending collateralised by the asset (residential or commercial) considered in the baseline estimation.

The emissions baseline was calculated by focusing on the operational emissions<sup>9</sup> that are associated with the energy used during the operation of the building<sup>10</sup>.

To calculate the Group emissions baseline for the residential real estate sector, UniCredit Group leveraged loan and asset information in systems and Energy Performance Certificate<sup>11</sup> (EPC) information. UniCredit Group used actual data to estimate emissions of the building when it was available, and proxies when it was unavailable.

Using the selected design elements, on-balance sheet lending in scope for the sector was €72.8 billion at 31 December 2022 and the 2022 baseline emissions intensity of the residential real estate sector was estimated at 36.3 kgCO<sub>2</sub>e/m<sup>2</sup>.

UniCredit Group will continue to support clients who want to reduce the carbon footprint of their homes and constantly monitor the ongoing evolution of the regulatory landscape.

## E1-5 - Energy consumption and mix

Energy consumption at the end of reporting year has been collected for each building included in the consolidation perimeter of UCB CZSK. Moreover, the data includes the fuel consumption of company owned or company leased cars used by UCB CZSK. Reported data refer to energy consumption in MWh related to own operations.

Energy consumption data is solely validated by the appointed assurance provider.

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<sup>9</sup> Scope 1, 2 and Scope 3 Category 13 (if property is leased).

<sup>10</sup> E.g., including heating, hot water, cooling, ventilation, lighting systems, equipment, and lifts.

<sup>11</sup> EPC label estimated when not available on the stock, based on Country-specific data and methodologies, also leveraging on external providers and sources (e.g., PICA).

## Energy consumption and mix

ENERGY CONSUMPTION AND MIX	31.12.2024
a) Total fossil energy consumption (MWh)	5 911
Share of fossil sources in total energy consumption (%)	55 %
b) Consumption from nuclear sources (MWh)	-
Share of consumption from nuclear sources in total energy consumption (%)	-
i) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
ii) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	4 782
iii) The consumption of self-generated non-fuel renewable energy (MWh)	-
c) Total renewable energy consumption (MWh)	4 782
Share of renewable sources in total energy consumption (%)	45 %
Total energy consumption (MWh)	10 693

## of which: high climate impact sector

ENERGY CONSUMPTION AND MIX	31.12.2024
1) Fuel consumption from coal and coal products (MWh)	-
2) Fuel consumption from crude oil and petroleum products (MWh)	-
3) Fuel consumption from natural gas (MWh)	-
4) Fuel consumption from other fossil sources (MWh)	-
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	-
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	-
Share of fossil sources in total energy consumption (%)	-
7) Consumption from nuclear sources (MWh)	-
Share of consumption from nuclear sources in total energy consumption (%)	-
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	-
10) The consumption of self-generated non-fuel renewable energy (MWh)	-
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	-
Share of renewable sources in total energy consumption (%)	-
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	-

## Energy intensity per net revenue for high climate impact sectors

ENERGY INTENSITY PER NET REVENUE FOR HIGH CLIMATE IMPACT SECTORS	31.12.2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/CZK million)	-

## Connectivity of energy intensity based on net revenue with financial reporting information

	million CZK
	31.12.2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	-
Net revenue (other)	22 806
Total net revenue (Financial statements)	22 806

It should be noted that, in the absence of sector specific standards, the consolidated operating income has been defined as parameter associated to the concept of net revenues for the above tables.

## E1-6 - Gross Scope 1,2,3 and Total GHG emissions

With regards to own emissions (Scope 1, 2, and 3 excluding category 15) and also financed emissions (Scope 3, category 15), 2024 is the first reporting year, thus progress and comparison in respect to the previous year is not available and will be provided starting from the next reporting cycle. For the 2030 Net Zero sectoral targets, the progress is reported and described in the E1-3 - Actions and resources in relation to climate change policies section according to the selected metrics (absolute financed emissions or emissions intensity).

### GHG intensity based on net revenue

GHG INTENSITY BASED ON NET REVENUE	31.12.2024
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/CZK million)	137.88
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/CZK million)	137.82

It should be noted that the value used for the denominator in the ratios calculated in the above table is consolidated operating income, equal to CZK 22 806 million (refer to the UCB CZSK Consolidated income statement).

### Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3

	31.12.2024
<b>Scope 1 GHG emissions</b>	
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	1 379
<b>Scope 2 GHG emissions</b>	
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	1 330
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	23
<b>Significant scope 3 GHG emissions</b>	
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)	3 141 679
1. Purchased goods and services	229 579
1.1. Cloud computing and data center services	229 556
2. Capital goods	12 599
5. Waste generated in operations	13
6. Business travel	43
7. Employee commuting	405
8. Upstream leased assets	1 517
13. Downstream leased assets	-
15. Investments	2 897 522
<b>Total GHG emissions</b>	
<b>Total GHG emissions (location-based) (tCO<sub>2</sub>eq)</b>	<b>3 144 388</b>
<b>Total GHG emissions (market-based) (tCO<sub>2</sub>eq)</b>	<b>3 143 080</b>

The biogenic emissions of CO<sub>2</sub> from the combustion or bio-degradation of Scope 1 biomass, biofuel, biogas or other bioenergy sources consumed by the Group are equal to 0 tCO<sub>2</sub>e.

With regards to biogenic emissions of CO<sub>2</sub> from the combustion or bio-degradation of Scope 2 biomass, biofuel, biogas or other bioenergy sources, such sources, and thus emissions, are not relevant for the sector in which our Group operates.

UniCredit Group and also UCB CZSK has procured electricity from renewable energy sources for a number of years. Contractual instruments used in the purchase of electricity, steam and heating/cooling from renewable energy include, for example, Guarantees of Origin.

UniCredit Group's and also UCB CZSK GHG inventory on own emissions applies the operational control approach. Scope 1 includes emissions arising from sources owned or controlled by UniCredit Group, which include direct energy consumption, road business travel and refrigerant gas leakages. Scope 2 includes indirect emissions arising from purchased electricity, steam and heating/cooling consumed by equipment or systems owned or controlled by UniCredit Group. Scope 3 includes indirect emissions occurring in our value chain arising from copy paper consumption; purchased ITC services; purchased IT equipment and furniture; employee homeworking; air and rail business travel; glass, paper, cardboard, cans and plastic waste disposal; energy consumption of upstream and downstream leased assets calculated considering the market-based method. Figures and information relating to the Scope 1, Scope 2 and Scope 3 classes of greenhouse gas emissions have been prepared in accordance with "The Greenhouse Gas Protocol: A Corporate, Accounting and Reporting Standard (Revised Edition, 2004)".

The sources of emission factors applied to UniCredit Group's GHG Inventory are reported below, divided by Scope.

**Scope 1:**

- DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for stationary combustion, business travel and refrigerant gas leakages.

**Scope 2:**

- DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for district heating;
- IEA Emission Factors (2024), [www.iea.org/statistics](http://www.iea.org/statistics). All rights reserved; as modified by UniCredit SpA, - for electricity consumption – location-based method and in the market-based method where applicable;
- Association of Issuing Bodies (AIB), 2023 European Residual Mixes, V.1.0 (2024), for electricity consumption, market-based method (for European countries). AIB does not report emission factors for gases other than CO<sub>2</sub>, thus related Scope 2 market-based emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO<sub>2</sub> equivalent) as inferred from the relevant technical literature;
- The International Tracking Standard Foundation, (I-REC(E) Residual Mix (2023 data), for electricity consumption, market-based method (for non-European countries, excluding USA). Emission factors for gases other than CO<sub>2</sub> are not reported, thus related Scope 2 market-based emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO<sub>2</sub> equivalent) as inferred from the relevant technical literature;
- 2024 Green-e® Residual Mix Emissions Rates (2022 Data), for electricity consumption, market-based method (for USA). Emission factors for gases other than CO<sub>2</sub> are not reported, thus related Scope 2 market-based emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO<sub>2</sub> equivalent) as inferred from the relevant technical literature.

**Scope 3** (for category 15, please refer to Reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions):

- CEPI, CEPI statistics (2023), for copy paper use;
- EUROSTAT - Environmental statistics and accounts; sustainable development (Consumption-based accounting tool; 2023), for purchased ICT services, IT equipment and furniture;
- DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for business travel, waste disposal and homeworking
- Sources of emission factors for energy consumption at assets not within operational control:
  - DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for stationary combustion and district heating consumption;
  - Association of Issuing Bodies (AIB), 2023 European Residual Mixes, V.1.0 (2024), for electricity consumption market-based method (for European countries). AIB does not report emission factors for gases other than CO<sub>2</sub>, thus related market-based emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO<sub>2</sub> equivalent) as inferred from the relevant technical literature;
  - IEA Emission Factors (2024), [www.iea.org/statistics](http://www.iea.org/statistics). All rights reserved; as modified by UniCredit SpA - for electricity consumption where applicable;
  - The International Tracking Standard Foundation, (I-REC(E) Residual Mix, (2023 data), for electricity consumption, market-based method (for non-European countries, excluding USA). Emission factors for gases other than CO<sub>2</sub> are not reported, thus related market-based emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO<sub>2</sub> equivalent) as inferred from the relevant technical literature;
  - 2024 Green-e® Residual Mix Emissions Rates (2022 Data), for electricity consumption, market-based method (for USA). Emission factors for gases other than CO<sub>2</sub> are not reported, thus related market-based emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO<sub>2</sub> equivalent) as inferred from the relevant technical literature.

With regards to the calculation of UniCredit Group emissions, currently no significant events or changes occur between the reporting dates of entities in our value chain and the date of UniCredit Group financial statement, since UniCredit Group reporting period does not differ from the reporting period of the entities in UniCredit Group value chain.

**Scope 3 GHG emissions categories that have been excluded**

**Category 3**, Fuel and energy-related activities not included in Scope 1 or Scope 2: this category is deemed not sufficiently relevant considering our use of energy as a financial institution.

**Category 4**, Upstream transportation and distribution: as a financial institution, this category is not considered sufficiently relevant to be calculated.

**Category 9**, Downstream Transportation and distribution: as a financial institution, this category is not considered sufficiently relevant to be calculated.

**Category 10**, Processing of sold products: as a financial institution, this category is not considered relevant.

**Category 11**, Use of sold products: as a financial institution, this category is not considered relevant.

**Category 12**, End-of-life treatment of sold products: as a financial institution, this category is not considered relevant.

**Category 14**, Franchises: we do not have any franchises.

**Reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions**



The perimeter for the calculation of categories 1, 2, 5, 8 and 13 is aligned with the perimeter of the financial statement. For categories 6 and 7, the perimeter corresponds to the legal entities that have at least one Full Time Equivalent (FTE).

**Category 1**, Purchased goods and services: Includes emissions arising from copy paper consumption for which the average-data method has been applied; purchased ITC services, for which the spend-based method has been applied and the relative emissions estimated based on the expenditure for purchased ITC services, as reported in our financial statement. While emissions from copy paper consumption are typically not particularly significant for our organization, this source has nonetheless been included in continuity with our GHG Inventory accounting in previous years.

**Category 2**, Capital goods: Includes emissions arising from IT equipment, electronics and furniture purchases, for which the spend-based method has been applied and the relative emissions estimated based on the respective expenditure for the purchased goods, as reported in our financial statement.

**Category 5**, Waste generated in operations: Includes emissions arising from the disposal of paper, cardboard, plastic, cans, and glass, for which the waste-type-specific method has been applied. While emissions from waste disposal are typically not particularly significant for our organization, this source has nonetheless been included in continuity with our GHG Inventory accounting in previous years.

**Category 6**, Business travel: Includes emissions arising from air and rail business travel, for which the distance-based method has been applied in both cases. Air travel data has been categorised in long (more than 3,700km), medium (more than 1,000km - less than 3,700km) and short (less than 1,000 km) distance.

**Category 7**, Employee commuting: Includes only emissions arising from homeworking for which the average-data method has been applied. Emissions are calculated based on the hours of homeworking completed by employees during the year, as registered in our HR systems.

**Category 8**, Upstream leased assets: Includes emissions arising from energy consumption at upstream assets used by the UniCredit group not within operational control. Emissions arising from energy consumption at assets owned by the Group, but for which we do not have operational control of the relative energy sources, such as condominium heating, are also included. The asset-specific method and, where relevant, the average-data method, have been applied.

**Category 13**, Downstream leased assets: Includes emissions arising from energy consumption by third parties at assets owned by the Group. The asset-specific method and, where relevant, the average-data method, have been applied.

**Category 15**, is the most relevant scope 3 category for UniCredit Group in terms of the estimated GHG emissions and magnitude of counterparties' exposures. Information related to the Category 15 - Financed emissions is disclosed also within the template 1 required by the Implementing Regulation 2022/2453; according to such Regulation Institutions shall disclose their total financed emissions (Scope 1, 2, 3) and provide the related estimation associated with institutions' lending and investment activities.

Financed emission have been estimated for Non-Financial Corporations and Households counterparties while excluding data and information on (i) financial institutions, (ii) other financial corporations and (iii) government and administrative corporations, considering that no reliable data are available for the first-year sustainability reporting.

- **Scope 3 emissions (category 15 – financed emissions related to Non-financial corporations):** UniCredit Group based the calculation of scope 1, 2 and 3 of its financed emissions by gathering information on the counterparties (also with the support of an external provider). UniCredit Group collected and determined GHG emissions information, according to Global GHG Accounting and Reporting Standard, developed by the PCAF, in line with the following methodologies:
  - reported emissions: data directly disclosed by the company in publicly available documents (Non-Financial Statements, Sustainability Reports);
  - estimated emissions: data estimated using methodologies aligned with market best practices.

The estimation procedure relies on official data from public sources (Eurostat) on emission intensity, expressed in tons of CO<sub>2</sub> per euro of added value, broken down by NACE code and European country. This coefficient is further refined by incorporating, where available, more detailed emission data for specific NACE/Ateco codes (source: ISPRA / Single Registry for the Emissions Trading System). As part of this refinement process, sectoral averages derived from reported data are also used when homogeneous and statistically significant samples are available.

The emission intensity per euro of added value is then recalibrated to obtain an intensity measure per euro of revenue. Finally, the sectoral coefficient obtained is applied to the individual company's revenue to determine the estimated emissions volume.

As per regulatory indications, the financed emissions are calculated within the scope of Exposures towards sectors that highly contribute to climate change, which in UniCredit Group amount to 176.9 bn, corresponding to 82.8% of total GCA of Non-Financial Corporations. The effective coverage of actual data is 16% while the remaining 84% is relying on estimated data. Exposure data cover the following asset classes: loans and advances, debt securities and equity.

- **Scope 3 emissions (category 15 - financed emissions related to households):** they are estimated leveraging on the Net-Zero initiative on residential mortgages and cover the perimeter: only loans collateralised by a residential asset for Italy, Germany and Austria geographies are included. Leasing business and other CEE&EE legal entities are excluded.

## E1-7 - Removals and GHG mitigation projects financed through carbon credits

No data to be disclosed.

## E1-8 - Internal carbon pricing

No data to be disclosed.

## ESRS E3 - Water and marine resources

### Impact risk and opportunity management

#### E3-1 - Policies related to water and marine resources

UniCredit Group and also UCB CZSK's commitment to addressing water-related issues is steadily taking shape, although it has not yet materialized into a dedicated UniCredit Group or UCB CZSK policy to cover the material impact resulting from the DMA relating to Fostering awareness and commitments related to water consumption, withdrawal by UCB CZSK clients.

Within UCB CZSK sectorial policies (part of Internal policy Řízení reputačního rizika v oblasti senzitivních sektorů), **water management** is particularly taken into consideration.

UniCredit Group **ESG Product Guidelines Policy**, defined in 2022, that is followed in UCB CZSK, aims at establishing a consistent and comprehensive methodology for the classification and reporting of the ESG offering as well as preventing green and social washing risk. UniCredit Group and also UCB CZSK is willing to reach new business opportunities while contributing to the creation of positive impacts.

The Guidelines provide a classification of green loans. As "Green" are considered those loans financing economic activities, contributing substantially to one or more of the environmental objectives of the EU Taxonomy criteria:

1. Climate change mitigation;
2. Climate change adaptation;
3. The sustainable use and protection of water and marine resources;
4. The transition to a circular economy;
5. Pollution prevention and control;
6. The protection and restoration of biodiversity and ecosystems.

For more details on related policies, refer to the MDR-P Policies adopted to manage material sustainability matters.

UniCredit Group and also UCB CZSK are also committing ourselves on the topic through the adherence to internationally recognised standards. Among others UniCredit Group and also UCB CZSK have been committed to complying with the Equator Principles (EP) from their outset in 2003. The EP are a financial industry benchmark for determining, assessing and managing environmental and social risk in projects. For projects in Non-Designated Countries they draw upon the IFC Performance Standards on Environmental and Social Sustainability and the World Bank Group Environmental, Health and Safety Guidelines, together the World Bank Standards. The topics water and marine resources are addressed across multiple Performance Standards, i.e. Resource Efficiency and Pollution Prevention, and Biodiversity Conservation and Sustainable Management of Living Natural Resources.

#### E3-2 - Actions and resources related to water and marine resources

UniCredit Group and UCB CZSK recognize that its activities can have both positive and negative impacts on natural resources and the environment. By taking this into account, UniCredit Group and also UCB CZSK can prevent negative ones that can harm the planet and communities while also influencing the market towards the necessary transition to more sustainable practices.

UniCredit Group and also UCB CZSK's commitment is demonstrated by its sustainability governance which has been significantly strengthened in recent years at both steering and execution levels, underpinning the drive to further integrate ESG criteria into the UniCredit Group and also UCB CZSK's overall business strategy. In particular, UniCredit Group and also UCB CZSK's governance have started to study, analyze and focus environmental factors other than climate, as UniCredit Group and UCB CZSK recognize the interconnection between its business activities and natural capital.

Moreover, as described in E1, to determine the extent to which the Group's credit counterparties are exposed to Climate and Environmental risks, the C&E questionnaire is used and includes a consist of qualitative and quantitative current and forward-looking key indicators. With regards to the nature-related factors the UniCredit Group and also UCB CZSK will evaluate to revise the C&E Questionnaire in line with the enhanced assessment on impact.

## Metrics and targets

### E3-3 - Targets related to water and marine resources

The Group has currently no target on water and marine resources. As part of its commitment to the Equator Principles (EP), UniCredit Group and also UCB CZSK applies the globally accepted World Bank Standards to applicable projects. Aside from the rules set by the IFC's Industry Sector Guidelines its General EHS Guidelines define strict requirements in terms of wastewater, ambient water quality and water conservation.

## ESRS E4 - Biodiversity and ecosystems

### Strategy

#### E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model

UniCredit Group's strategy that is followed by UCB CZSK incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that the UniCredit Group and also UCB CZSK may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as climate change, biodiversity, energy consumption, water, pollution, and waste management.

In the context of the UniCredit Group's ESG Strategy that is followed by UCB CZSK, UniCredit Group and also UCB CZSK are starting to assess potential risks and business opportunities connected to natural capital.

During 2024, UniCredit Group performed a specific analysis for understanding the status of Natural Capital and Biodiversity in UniCredit Group countries. The aim is to support the identification of potential business opportunities for local Business based on key dimensions such as water, soil, air and biodiversity specific aspects: ecosystems and humans. This exercise supported UniCredit Group in taking a view on opportunities with a nature positive approach, that can contribute to the business and to the clients' transition. UniCredit Group will set up specific working groups for starting evaluation of business opportunities. UCB CZSK will participate on this evaluation.

### Impact risk and opportunity management

#### E4-2 - Policies related to biodiversity and ecosystems

UniCredit Group and also UCB CZSK's commitment to addressing biodiversity related issues is steadily taking shape. Although this commitment has not yet materialized into a dedicated policy, UniCredit Group's ESG Product Guidelines that UCB CZSK is following, address the material opportunity resulted from DMA relating to creation and promotion of innovative financial products/services focused on green and sustainable investments, thereby contributing to the protection of natural capital, biodiversity and conservation of land use.

According to the UniCredit Group ESG Product Guidelines that is UCB CZSK following as "Green" loans are considered those defined financing economic activities.

UniCredit Group and also UCB CZSK are committed to protecting natural capital by delivering sustainable financing solutions to clients and reducing the environmental impacts of our direct operations. Avoid operations in areas protected for biodiversity conservation purpose as well as combat deforestation and forest degradation are fundamental principles for the UniCredit Group and also UCB CZSK.

Among UCB CZSK internal rules that are linked to the preservation of biodiversity, a specific policy on the Civil Nuclear sector has been adopted. In detail, the regulation establishes standards and guidelines that address the risks associated to the Civil Nuclear sector, potentially impacting also on natural capital and the biodiversity of the ecosystems.

This regulation defines:

- Criteria for identifying subjects and activities in scope;
- Process, roles, and responsibilities for performing the "Reputational and ESG Risk Assessment", aiming at assessing the specific situation and characteristics of each Civil Nuclear-related subject or activity".

UniCredit Group and also UCB CZSK's willingness to protect ecosystems is further evidenced in its Commitment on Rainforest. The objective of the Commitment on Rainforest is to ensure that UniCredit Group and also UCB CZSK activity does not favor deforestation or forest degradation, unless appropriately mitigated. UniCredit Group and also UCB CZSK will not provide financial services to customers directly involved (and in case of specific projects also indirectly) in: illegal logging; wood registered in violation of traditional and civil rights; wood immersed in forests where high conservation values are threatened by industry; or forests converted illegally into planting or illegal use of fire. This Commitment refers to all transactions project related with a potential impact on rainforests. In addition, the UniCredit Group has signed specific commitments regarding Human Rights, the exit from Tobacco industry and from activities that favour deforestation or forest degradation. UCB CZSK is following these commitments.

Currently the UniCredit Group and UCB CZSK do not have policies in place for agriculture practices. Nonetheless, the Group will evaluate a possible set-up of internal guidelines on these practices that will UCB CZSK follow. Also, sustainable oceans or seas practices or policies have not been adopted.

For more details on described policies, reference is made to the "MDR-P Policies adopted to manage material sustainability matters".

## E4-3 - Actions and resources related to biodiversity and ecosystems

Dialogue with stakeholders is fundamental. This is reason why external points of view are always taken into consideration also in setting up our guidelines and policies, available on UniCredit Group websites.

UniCredit Group is following and participating in discussions at European level on regulatory frameworks (e.g. on deforestation, agriculture). UCB CZSK is following the approach that is set by UniCredit Group

Following the Group's strengthened engagement with NGOs and civil society at large, UniCredit Group has dedicated initiatives with the most significant organizations in order to assess any gaps identified by them in UniCredit Group ESG strategic positioning and to highlight the UniCredit Group's improvements in areas of sustainability, focusing on material topics such as Biodiversity, Net Zero and policy updates.

To make good on UniCredit Group's commitment, in 2024 the Group has replicated its ESG Day. The one-day event saw more than 13,000 participants, joined either online from all the UniCredit Group countries (also Czech Republic and Slovakia) or in-person at the UniCredit Group's offices in Milan, Praha and Bratislava. At its core, the event was an opportunity to stimulate stakeholder dialogue while continuing to raise awareness of climate change, social inequalities, biodiversity, as well as the UniCredit Group and also UCB CZSK's own role in fostering the necessary change in mindset. Attendees included colleagues, clients and partners, alongside a host of renowned experts who dived into a series of engaging discussions covering the full spectrum of ESG topics. The session entitled: "The way forward: from responsibility to response-ability", which focused on the importance of establishing alternative models and approaches in order to foster more sustainable ways of doing business, was focused on practical steps forward in the face of the natural challenges

As stated in the Reputational Risk Management Policy, the Group applies minimum requirements for supporting single deals. Any deals for which the Group is going to provide any financial product or service must not involve or affect any of the following:

- UNESCO World Heritage Sites;
- IUCN I-IV protected areas;
- Ramsar Convention on Wetlands;
- Critical Natural Habitat;
- Primary Tropical Moist Forests;
- Conservation Value Forests.

The Group does not provide any financial support or service for activities not compliant with the UN Declaration on the Rights of Indigenous Peoples.

Environmental and social risk assessments are guided by UniCredit Group's sustainability policies and by Human Rights Commitment.

Specific transactions are subject to the Equator Principles (EP). In this context, the Group works to ensure that any associated environmental and social risks are aligned with the International Finance Corporation's Environmental and Social Performance Standards (PS), and specifically PS6: Biodiversity Conservation and Sustainable Natural Resource Management.

UniCredit Group set following ambitions:

- Since it is fundamental for us to disseminate awareness on biodiversity, UniCredit Group are working on an Internal training path which will be available for all the employees in 2025 (and thus also for the Czech Republic and Slovakia);
- External training for clients on biodiversity through the Skills for Transition training program;
- Business opportunities will be evaluated to support clients in the green transition. Specific working groups will be set to start evaluating business opportunities. UCB CZSK will be participating at this evaluation.

## E4-4 - Targets related to biodiversity and ecosystems

Since large-scale quantitative information on biodiversity for the financed portfolio is not yet available, UniCredit Group and also UCB CZSK, by adopting the transitional provision, has not yet equipped itself with quantitative objectives for this environmental topic.

## ESRS E5 - Resource use and circular economy

### Impact risk and opportunity management

#### E5-1 - Policies related to resource use and circular economy

UniCredit Group and also UCB CZSK considers circularity a significant aspect to be fostered towards its clients. The commitment of UniCredit Group and also UCB CZSK on circular economy derives from the awareness that sustainability is a core corporate responsibility and contributes to the long-term business, addressing environmental issues which need to be tackled now. Notwithstanding the commitment of the UniCredit Group and also UCB CZSK towards circular economy, it has not yet materialized into a dedicated policy to cover material impacts resulted from the DMA process:

- Contribution to high inflow and use of resources, and to high waste by sectors such as construction, power generation, manufacture, and waste-intensive sectors in which clients operate.
- Fostering awareness and commitments related to waste production and waste management from clients.

However, UniCredit Group has started making some analyses on the sectors which are considered more controversial, based on the discussions underway in the various international working groups. The aim is to assess the drawing up of a cross-sectoral policy which addresses the interruption of the virgin resources use among the financed sectors. UCB CZSK will participate at these analyses carried out by UniCredit Group.

Within UniCredit Group's sectorial policies that is UCB CZSK following, waste management is addressed with the objective to regulate waste production and disposal in order to mitigate negative environmental impacts. For instance:

- Civil Nuclear policy applies to any specific transaction financing, irrespective of the subject, related to nuclear waste processing activities;
- Mining Industry policy applies to activities related to the development, construction, and operation of facilities to mine, process, and transport ore, as well as supporting infrastructure, such as tailings and other waste management facilities.

According to the UniCredit Group ESG Product Guidelines that is UCB CZSK following as "Green" loans are considered those financing economic activities, contributing substantially to one or more of the environmental objectives of the EU Taxonomy criteria (including the objective 4 "The transition to a circular economy").

#### E5-2 - Actions and resources related to resource use and circular economy

UniCredit Group and also UCB CZSK has carried out and promoted awareness and commitment actions and activities aimed at creating awareness among its clients on circularity and on waste production and management.

UniCredit Group's commitment on circularity is also mentioned in the Statement on Natural Capital and Biodiversity published in May 2024.

Also, the Natural Capital Framework developed by the UniCredit Group mentions circularity as enabler to reach Net Zero targets. A circular economy can significantly contribute to a just and fair transition for our clients in different ways, by providing loans, advisory, creating synergies and establishing partnerships.

In December 2022 UniCredit Group signed a membership with the Ellen MacArthur Foundation, a pioneer and leader charity in circularity topics at international level. The participation to working groups organized by the charity has a double significance: on the one hand UniCredit Group has access to a specific know-how focused on circular economy; on the other hand, UniCredit Group established new contacts and made networking with companies belonging to other sectors, identifying specific needs, and assessing how it can support them in their green transition.

In 2023 UniCredit Group started to take part in a working group designed and proposed by UNEP FI, in which also other banks take part, with the aim of drawing up a position paper on the nexus between climate and circular economy, supplemented by an operational guidance and supplements dedicated to priority sectors (Building/Construction, Textile). This guidance also includes some tangible actions that banks can implement to support its clients and promote circularity. The full set prepared by UNEP FI with the contribution of other banks was published in July 2024. In September 2024 UNEP FI launched Phase 2 of the working group which aims at making a deep dive on other sectors.

In February 2024 UniCredit Group organized a webinar entitled “Straight ahead with circularity”, exploring the shift from linear to circular business models in various sectors, discussing the challenges ahead and the opportunities offered by the transition. The event was also addressed to clients and experts from oil&gas, steel and fashion which took part to the webinar to discuss the circular business models implementation feasibility. To make good on UCB CZSK commitment, in 2024 UCB CZSK replicated our ESG Day with separate seminars for our clients in Czech Republic and Slovakia. During the third panel the importance of circular economy principles (reuse, recycle) was highlighted, as well as the relevance of the products lifecycle.

These events promote debated on sustainability and encourage the adoption of resilient and sustainable business models in various sectors, highlighting the correlation between circular actions, fight against climate change, natural capital preservation and promotion of healthy and inclusive economies.

UniCredit Group and also UCB CZSK set some ambitions on various streams:

- Since it is fundamental for us to disseminate awareness on circular economy, UniCredit Group and also UCB CZSK are working on an Internal training path on circularity topics, which will be available for all the employees starting from the beginning of 2025;
- External training for clients which embrace circular business models and processes through the Skills for Transition training program via a digital platform in workers' local languages;
- Business opportunities will be evaluated to support clients in the green transition. UniCredit Group has started to execute a first analysis on sectors considered as priority because of their energy consumption. UCB CZSK will be participating at this evaluation.

To prevent and mitigate various potential negative environmental impacts at our premises level, alongside energy efficiency, we have introduced measures to optimise the use of limited natural resources and to foster a circular economy. We have also launched several projects aimed at reusing and rethinking our redundant furniture.

## E5-3 - Targets related to resource use and circular economy

Since large-scale quantitative information on resource use and circular economy for the financed portfolio is not yet available, UniCredit Group and also UCB CZSK, by adopting the transitional provision, has not yet equipped itself with quantitative objectives for this environmental topic.



# Social information



# ESRS S1 - Own workforce

## Impact risk and opportunity management

### S1-1 - Policies related to own workforce

UniCredit Group and also UCB CZSK's policies comprehensively address and manage material impacts and opportunities identified through the DMA process.

Key focus area include:

Impacts:

- Promotion of employee well-being through the implementation of dedicated well-being activities and benefits within a healthy and stimulating working environment;
- Positive contribution to the objectives of ensuring equal opportunities, secure employment, generation of quality employment, the payment of adequate wages also through the promotion of social dialogue, collective bargaining agreements and workers' associations;
- Improved employees' skills through training and professional development activities, general and technical programmes, also linked to personalised growth and evaluation objectives (e.g. career development plans);
- Contribution to the development of young talents through partnerships with national and international Universities, collaborations with communities in the IT and tech sector, often with a focus on women and creation of employee networks on several diversity traits;
- Respect for diversity and promotion of an inclusive work environment through anti-discrimination activities and initiatives;
- Increase in digital skills, knowledge, and opportunities of employees;

Opportunities:

- Becoming an employer of choice with widespread diversity, a culture of inclusion and concrete work-life balance solutions which encompass a flexible approach;
- Improvement of employees' productivity through the implementation of effective training programs, anticipating future trends;
- Ensure and guarantee transparent performance review systems and professional growth plans for the Group's entire population, empowering employees to thrive and unlock their potential.

Key focus area include:

- **Well-Being, Inclusion, and Respect:** Fostering a supportive, inclusive, and healthy work environment that values diversity, encourages a sense of belonging, empowers employees to thrive, and ensures dedicated channels for reporting unacceptable behaviors, maintaining a respectful and safe workplace for all.
- **Fair Opportunities:** Ensuring equal opportunities for all employees based on merit and inclusive practices, while promoting social dialogue.
- **Skill Building and Development:** Enhancing employee skills through tailored training programs, upskilling, and career development plans.

The **commitment to respect human rights** is the principle of UniCredit Group's and UCB CZSK's approach to people's interests within and outside the organisation. The Commitment is inspired by internationally recognised declarations, conventions, standards, principles, and guidelines and ensures that human rights are guaranteed to all.

UCB CZSK requires its employees to contribute to creating and maintaining a work environment that is respectful, safe, and inclusive, where differences in gender identity, age, race, ethnicity, sexual orientation, ability, background, religious or ethical values system and political beliefs or any other category protected by law in the local jurisdiction are embraced and promoted. UniCredit's commitment to creating an inclusive environment incorporates efforts that promote our employees' well-being and help them to effectively manage personal and professional challenges. We support our employees and their families across all stages of their lives, providing benefits designed to enhance their work-life balance.

This aligns with our aim to improve the working environment and create a stronger sense of inclusion and belonging, which will ensure a higher quality of life at work.

Our employees selected Values of Integrity, Ownership and Caring as they represent our Culture.

- **Integrity** is doing the right thing.
- **Ownership** is being accountable for our actions and commitments and feeling free to speak up when something doesn't look right.
- **Caring** for one another is about respecting and valuing our differences.

As a financial services provider, UCB CZSK's principal asset is its highly skilled workforce. UCB CZSK does not use child labour or forced labour in its business.

At UniCredit Group and also UCB CZSK, we recognise that an equitable and diverse workforce is essential to our business, creating a fairer, more inclusive working environment. We believe that when Diversity, Equity, and Inclusion (DE&I) work in harmony, great things happen:

- People feel respected and valued for their contributions, directly enhancing productivity.
- People experience a sense of belonging, connection, and shared pride, positively impacting well-being.
- People feel free to express their views and ideas, fueling creativity and innovation.
- People sense their potential is recognised, unlocking talent and boosting performance and job satisfaction.

These foundations position us as an employer of choice by fostering a diverse workforce, an inclusive culture, and tangible work-life balance solutions. This approach drives sustainable business growth while delivering value to our clients, communities, and shareholders.

Our approach to diversity emphasises understanding, accepting, and valuing individual differences. We foster equity throughout the organisation in recruitment, development, retention and our products and services. Inclusion is rooted in respect and accessibility, ensuring a barrier-free environment where everyone has a voice and is encouraged to thrive.

In line with our 2009 **Joint Declaration on “Equal Opportunities and Non-Discrimination”**, UniCredit Group and also UCB CZSK reaffirms its commitment to a Culture of inclusion and equal opportunity. Discrimination is not tolerated in any form: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law. Additionally, by signing the **Global Framework Agreement with the UNI Global Union on Human Rights and Fundamental Labour Rights**, UniCredit Group strengthens its commitment to combating discrimination, particularly racial discrimination.

Social dialogue within UniCredit Group also UCB CZSK was strengthened, through different Joint Declarations signed over the years (Training, Learning and Professional Development in 2008, Equal Opportunities and Non Discrimination on 2009, Responsible Sales in 2015, Work-Life Balance in 2019 and Remote Work in 2020) doing a further step with the Global Framework Agreement (GFA) signed with UNI Global Finance (the global trade union for the bank and insurance sectors). Such Joint Declaration being parts of local Collective Labour Agreements. We remain committed to improving social dialogue in CZ and SK.

UniCredit Group and also UCB CZSK adopts a **Zero-tolerance approach** to unacceptable behaviour. Since 2019, UniCredit Group **Global Policy against Harassment, Sexual Misconduct, Bullying, and Retaliation** that are implemented within UCB CZSK internal policies set the rules against harassment and increases awareness of inappropriate behaviours, while highlighting Whistleblowing and other channels. By fostering a ‘speak up’ Culture, we ensure employees feel heard, supported and protected when reporting suspected misconduct. Our aim is to create and maintain a respectful and safe workplace where everyone can raise concerns in good faith, without fear of retaliation.

Zero Tolerance approach: whistleblowing – together with other channels described in Global Policy against Harassment, Sexual Misconduct, Bullying and Retaliation that are implemented within UCB CZSK internal policies are the way to report any misconduct violating UniCredit Group and UCB CZSK policies.

Our **DE&I Global Policy** aligns with our Culture transformation, increasing transparency and guiding us towards positive change across all diversity dimensions, while setting out the principles by which we enhance inclusion throughout the whole organisation, aiming to ensure that our policies, procedures, and behaviours promote diversity, equity and inclusion and create a workplace where individual differences are valued. The policy principles go beyond guidelines, they’re ingrained in our mindset and visible in all internal and external interactions.

The DE&I Global Policy should be applied at all levels of the organisation to embed Diversity, Equity and Inclusion throughout our business. Therefore, all UCB CZSK employees play an active role and are responsible for its application while specific functions play key roles in the process, such as: Head of People and Culture, Diversity, Equity and Inclusion, All Line Managers.

**UniCredit Group Code of Conduct** underscores inclusion principles, focusing on objectivity, competence, professionalism, and equal opportunity in people-related processes while providing procedures to address discrimination, mobbing, or bullying.

As part of UniCredit **Group Remuneration Policy**, that is implemented within UCB CZSK internal policies, UCB CZSK is committed to equal pay, ensuring fair treatment in remuneration based on role, responsibility, performance, and contribution quality, regardless of gender identity, age, race, ethnicity, sexual orientation, ability, or cultural background. UCB CZSK adopts gender-neutral remuneration and incentive policies foster genuine equality, guaranteeing equal pay for equal work and equal access to opportunities for all. Achieving gender parity at all organisational levels is integral to UCB CZSK’s DE&I approach, reflecting our belief in the transformative power of gender diversity within our organisation and society.

We are dedicated to challenging biases, micro-aggressions, stereotypes and foster a cultural of inclusion.

The DE&I Global Policy applies to every key moment of the employee journey, from recruiting and onboarding, to learning and development, performance management and compensation, ensuring bias-free, merit and competency-based decisions as well as pay equality, regardless of diversity traits:

- Recruiting process is gender balanced, bias-free, enabling diverse candidates to successfully apply regardless of diversity traits. Any discriminatory and non-inclusive criteria are removed when writing job offers and job responsibilities, with particular care on the adopted language to make it as inclusive as possible in all phases of the above processes.
- Onboarding provides new joiners with the necessary support, tools, and opportunities to be fully equipped to perform and express their potential at best.
- Equal learning and development opportunities to all employees throughout their professional lives without any type of discrimination to ensure they can support business priorities, ensuring that all people have access to and receive adequate training with specific focus on inclusive leadership and communication; psychological safety and trust; how to recognise and tackle unconscious bias preventing harassment, sexual misconduct, bullying and retaliation and how to report potential cases of misbehaviours.
- Performance management of all staff is consistent regardless of diversity aspects. Succession planning and promotion are monitored to ensure a gender balanced and diverse pool of candidates and talents when developing our leadership pipeline.
- Compensation ensures pay equality for our workforce, is merit based and linked to diversity and inclusion ambitions cascaded to all managers.

Specifically, the **recruiting process** fosters the development of young talents through partnerships with universities and collaborations with communities in the IT and tech sectors, with an emphasis on diversity and inclusion. This approach allows UniCredit to cultivate a diverse workforce, strengthen its talent pipeline, drive innovation, and support its long-term talent acquisition goals.

Recruiting initiatives focus on building a diverse talent pipeline through partnerships with universities and the tech sector, ensuring long-term innovation and inclusivity.

For information on policies, refer to the section "MDR-P Policies adopted to manage material sustainability matters".

### **Fostering a safe and respectful work environment**

Although the double materiality assessment has proved that the Group only has positive material impacts on its workforce, the Group pledges to protect its people.

For instance, UCB CZSK is committed to ensure and guarantee the respect of human rights, principles and values of Code of Ethics and Code of Conduct and in other internal policies.

This commitment, aimed at avoiding potential negative impacts on the workforce, consist of specific channels in use for employees, identified in the UniCredit Group Global Policy against harassment, sexual misconduct, bullying and retaliation that is implemented in the internal policies of UCB CZSK. These channels allow to manage and monitor the specific situations Legal & Labour is in charge of.

As part of the continuous social dialogue, the Company collects reports from employees through their representatives to implement, improve and modify company processes and the working environment, where possible.

## **S1-2 - Process for engaging with own workers and workers' representatives about impacts**

In 2021, UniCredit's Group Culture and DE&I function engaged individuals, some workers representatives as detailed below across the organisation to define UniCredit Group's Values: Integrity, Ownership and Caring. This process involved meetings, surveys and focus groups alongside a Culture Diagnostic to assess the current state and set a direction for Culture transformation to support UniCredit Group's strategic industrial plan: UniCredit Unlocked. The function also conducts internal surveys to gauge employee satisfaction following events, training sessions, and other activities, using this feedback to guide improvements to these initiatives.

UCB CZSK is following all UniCredit Group Culture, e.g. through annual Managerial conference, quarterly Management in touch (open platform for all employees), Roadshows within the Czech Republic and Slovakia business divisions and ongoing social dialogue with trade unions (Czech and Slovakia) ensuring fulfilment of our commitments (information, negotiations and discussions on different topics).

UniCredit's Group Culture and DE&I function aims to make Culture a core driver for achieving UniCredit Unlocked strategic goals. The Group has mobilised volunteer Culture Sponsors and Champions to support this transformation. As of today, there is representation across all 13 countries and every Competence Line where UniCredit operates, with 24 Culture Sponsors paired with 28 Culture Champions.

They design and execute local initiatives to inspire and accelerate Culture Transformation within their teams. The Group Culture and DE&I function engages with them regularly through various initiatives, including Culture Bootcamps, Group Culture Days, and CEO Culture Progress Meetings. The frequency of these engagements varies depending on the project, ranging from bi-monthly to quarterly. Their first point of engagement was the Culture Bootcamp, designed to equip volunteers for their roles.

Additionally, the Group Culture and DE&I function conducts on-demand surveys for feedback on key employee interactions such as training, events, and IT application experiences. Feedback is always anonymous and voluntary, with responses used to drive improvements.

For surveys designed to assess the effectiveness of training, events, or other forms of employee engagement, the Group Culture and DE&I function is responsible for survey setup, including platform management, obtaining necessary work council approvals, and reporting. UniCredit is committed to respecting and enforcing sovereign state legislation on collective agreements, bargaining and freedom of association. As international principles may not be fully ratified in each country where our Group operates, UniCredit pledges to shape its relationships with employees and its business practices around stricter and more recent international conventions.

Social dialogue contributes to value creation over the time, by strengthening our capability of collaboration, of listening and understanding of employees' needs in the labour matter. Our continuous commitment, aimed at improving constantly the social dialogue's level. In 2007 to the creation of an international body, the European Works Council (EWC), composed by the workers' representatives of Countries where UniCredit is present - applies also to entities in CZ & SK.

The UniCredit European Works Council (UEWC) reflects UniCredit Group's commitment to improving constantly the social dialogue's level in every geography of the UniCredit Group and ensuring that employees' rights to information and consultation are upheld consistently across the UniCredit Group. UCB CZSK is participant of UEWC.

The UEWC represents employees from UniCredit Group companies where UniCredit holds at least 50% of the share capital in EU Member States and other European countries. It enhances the Group's European identity, fosters social cohesion, and promotes constructive dialogue between management and employees.

Key functions of the UEWC:

- **Information Sharing:** Central Management provides timely and relevant data on significant transnational matters that affect employees across multiple countries;
- **Consultation:** UEWC members engage in dialogue with Central Management on Company measures, providing their view and feedback to support UniCredit in empowering accountable and sustainable progress in the best interest of our employees, customers and communities.

The UEWC meets twice a year with Group Top Management to receive updates on UniCredit strategy and discuss major transnational topics, particularly those impacting employees. Between these plenary meetings, the Central Management dialogues with the Select Committee whenever a relevant cross-border issue arises, maintaining a vital link between employees and management.

Social dialogue within UniCredit Group and also UCB CZSK has strengthened, through different Joint Declarations signed over the years (Training, Learning and Professional Development in 2008, Equal Opportunities and Non Discrimination on 2009, Responsible Sales in 2015, Work-Life Balance in 2019 and Remote Work in 2020) doing a further step with the Global Framework Agreement (GFA) signed with UNI Global Finance (the global trade union for the bank and insurance sectors). Such Joint Declaration being parts of local Collective Labour Agreements.

We remain committed to improving social dialogue in CZ and SK.

Employees can find information about the Global and Internal Policies on the local intranet.

### Channels used

UCB CZSK in line with UniCredit Group approach has established dedicated channels through which employees can report incidents of discriminations and harassment.

They can report:

- Through the channels outlined in the Whistleblowing procedure in force within the relevant legal entity.
- To the People and Culture department of their legal entity.
- To their direct Line Manager.
- Through any other possible channels made available by the Group legal entity.

### Effectiveness of engagement

For various initiatives, such as training, events and meetings, feedback collection is a key step. The goal is to gather ideas and suggestions for continuous improvement. For example, at the executive development level, surveys assess the quality of delivered programmes to refine future editions. This process involves clustering feedback to identify actionable improvements.

UCB CZSK is dedicated to addressing the needs of vulnerable and marginalised groups within its workforce, including women, people with disabilities, and individuals from diverse cultural backgrounds.

Key initiatives UniCredit Group and also UCB CZSK are addressing include supporting Employee Networks (e.g. Women's Networks, REaCH Networks - Race, Ethnicity and Cultural Heritage, Disability Networks, Unicorns Networks - LGBTQ+ and allies, Caregiving Network, Generations networks) to gather insights, partnering with NGOs to understand the challenges faced by these communities, implementing safe reporting channels, and using HR data analytics to track workforce diversity and pay equity.

At UniCredit Group and also UCB CZSK, we emphasize inclusive recruitment, accessible workplace practices, such as flexible work options and accessibility enhancements, anti-discrimination policies, and regular inclusion training. Transparent reporting on diversity metrics reinforces UniCredit Group and also UCB CZSK's commitment to fair treatment and equal opportunity for all employees.

## S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

### Fostering Inclusivity and Well-being at UniCredit

At UCB CZSK, we remain committed to creating a barrier-free and inclusive workplace, where no one is "left behind", so as to enable our colleagues to have a voice and engender a true sense of belonging.

UCB CZSK Diversity, Equity and Inclusion strategy is fully integrated into our Group's development offerings throughout the entire employee lifecycle, embedding the behaviours required to promote a more equitable culture.

Showcase our commitment to DE&I, celebrating dedicated DE&I and Well-being Days at UniCredit Group and also UCB CZSK level, such as: Int. Women's Day, Transgender Day of Visibility, World Health Day, Int. Day of Families, Int. Day against Homophobia, Transphobia, Biphobia, World Day for Cultural Diversity, Pride Month, World Mental Health Day, Int. Day for the Elimination of Violence against Women, Int. Day of Persons with Disabilities. These events reflect UniCredit Group and also UCB CZSK's dedication to DE&I and our goal of building a truly inclusive workplace

### Concrete Actions in place

UniCredit Group and also UCB CZSK is dedicated to fostering a workplace free of barriers, where all employees have a voice and a sense of belonging. Our Diversity, Equity, and Inclusion (DE&I) Strategy is integrated across the employee lifecycle, promoting behaviours and initiatives that advance an equitable, inclusive Culture.

- **Comprehensive Parental Leave and Family Support** - Beyond legally mandated leave, UniCredit Group offers a Group-wide minimum standard for parental support, along with flexible work arrangements, including smart-working options. Additional welfare benefits for child-related activities underline UniCredit's support for parents throughout their careers.
- **Inclusive Culture Programmes** – UniCredit Group and also UCB CZSK's DE&I guidelines promote inclusive language, recruitment practices, and gender transition support, reducing unconscious bias and celebrating diversity. DE&I-specific training, available in local languages via the PLUS online learning platform, has achieved a 70% completion rate and an average satisfaction score of 7.9 out of 10.
- **Mentorship Programme** - Focused on supporting women and underrepresented groups, UniCredit's mentorship initiatives aim to enhance diverse leadership representation and nurture an inclusive environment for talent.

UCB CZSK is implementing concrete actions such as dedicated DE&I guidelines on inclusive recruiting and inclusive language to reduce biases, providing comprehensive DE&I and well-being trainings for all employees, establishing mentorship programs to support career progression for underrepresented groups, and supporting Employee Networks that foster community and networking.

**Holistic Well-Being Approach** encompasses physical, mental, social, financial, and career well-being. Resources such as the **Well-being navigator**, an interactive guide with tools and tips, digital learning pills on Stress & Burnout, Menopause, Dementia as well as a dedicated playlist on key well-being topics are available on Plus learning platform for all UniCredit Group colleagues to support prioritising well-being across all life stages. Additionally, dedicated well-being workshops have been delivered across the UniCredit Group Countries. This comprehensive approach reinforces UniCredit Group and also UCB CZSK's DE&I commitment and fosters a Culture of care and connection.

### Building a Positive Work Environment

Our people are our greatest asset. UCB CZSK is dedicated to a positive, safe, and collaborative environment, ensuring equal opportunities and supporting personal growth through a comprehensive well-being framework. Flexible working solutions, welfare offerings, and well-being initiatives across all regions meet diverse needs and promote a healthy workplace.

UniCredit Group and also UCB CZSK specific well-being programmes include:

- **Mental Well-Being:** our "Ask for Help" helpline provides free psychological support across all countries within UniCredit Group.
- **Physical Well-Being:** Health and lifestyle programmes offer medical check-ups, nutrition advice, fertility treatments, and sports initiatives.
- **Social Well-Being:** In UCB CZSK employees are offered with free psychological help, different types of extra days off for different social / life situations and are supported when returning from maternity / parental leave.
- **Financial Well-Being:** UCB CZSK have programmes on financial education such as Junior Achievement or Teach for Slovakia.

Through this well-being framework, UCB CZSK aims to be an employer of choice, attracting and retaining talent by fostering an inclusive Culture and offering cross-country initiatives to ensure equal treatment for all employees.

### EDGE Certification and DE&I Recognition

UniCredit Group is the first pan-European bank to achieve Global EDGE Certification, recognising its work in gender equity and inclusion. This certification, spanning 10 countries, positions UniCredit Group as a global leader in advancing DE&I. Being a champion in gender diversity, equity and inclusion is an integral part of UniCredit Group and also UCB CZSK Culture and reinforces our commitment to a clear set of principles and values as a crucial component of our continued business success. The rich diversity within UniCredit Group and also UCB CZSK team creates the inclusive environment needed to provide best-in-class solutions to our growing client base across Europe. EDGE Certification is the leading global standard for Diversity, Equity, and Inclusion (DE&I), centred on a workplace gender and intersectional equity approach. It offers a holistic framework which organisations are measured against worldwide. To achieve this certification, UniCredit Group and also UCB CZSK underwent a rigorous third-party review of representation across the succession pipeline, pay equity, the effectiveness of policies and practices, and the inclusiveness of the organisation's Culture.

### Culture programmes and Champions

Major events like UniCredit Group Culture Day and Culture Bootcamps have engaged thousands of employees, and over 200 local initiatives advance the UniCredit Group's goal of a unified and inclusive workplace across geographies.

UniCredit Group has developed Group-wide initiatives to support individual and organisational growth. Key components include:

- **Employee Value Proposition:** Updating the UniCredit Group Employer Brand Promise to align with UniCredit Group purpose and values.
- **Digital channels:** Promoting job opportunities through UniCredit Group and also UCB CZSK's website, LinkedIn, and job boards.
- **Events and partnerships:** Collaborating with universities and receiving awards including Universum and Top Employer.
- **Targeted programmes:** Offering tailored internships and graduate programmes.

### Learning and Development

In 2022 UniCredit Group established its Corporate Academy, UniCredit Group University, initially launched in Italy before expanding across all UniCredit Group countries and functions. This Global Learning & Development Framework provides a unified and transparent approach to training and development opportunities throughout the entire Group, in coherence with our purpose of empowering our people to progress.

UniCredit Group University is structured to provide a personalized learning offer to all employees through differentiated learning programs by targets (e.g.: Executives, High Potentials, Newly hired, etc.), roles, responsibility levels.

Specifically for Executives, UniCredit Group University developed a targeted offer at UniCredit Group level, embedded in UniCredit Group strategic priorities, aimed at supporting UniCredit Group in laying the foundation for a fully transformed UniCredit Group and elevating trust, empowerment and ownership.

It encompasses a multi-modal development experience with initiatives that go beyond the traditional concept of formal classroom and are fully integrated into people's business challenges, including:

- UniCredit Group Executive Programmes on strategic topics, such as Leadership, ESG and Digital;
- Bespoke initiatives, such as Mentoring and Coaching;
- Immersive workshop and team coaching to support the Bank transformation and foster new leadership imperatives.

UniCredit Group Universities, developed at country and business function level in coherence with the global framework, are delivered both leveraging on technology, with a dedicated platform hosting more than 80.000 titles that ensure consistent delivery of contents, learning experiences and approaches, and on in person training recognising the value of human interaction to disseminate and spread knowledge across peers, different generations at work and personal backgrounds.

Training contents are consistent with UniCredit Group Strategy and designed to guarantee the sustainable growth of UniCredit Group and also UCB CZSK in the areas of Leadership, Digital, Risk Management, ESG, Wellbeing, Generational mix and future proof skills by role being continuously updated to meet the evolving needs of clients. The contents are defined to offer employees a tailored and continuous learning experience that aligns with both their current role requirements and future skill needs; moreover, they are complemented by yearly mandatory training programmes that serve as an important lever to prevent and mitigate risks, ensure the organizational internal and external reputation and spread risk culture at all levels of the organization.

The learning offers provided by UniCredit Group University is established through a structured annual process: needs are identified by dedicated meetings with the business, analysed and translated into tailored training solutions delivered at either local and global level, also involving workforce representatives as needed to ensure a positive social dialogue and the involvement of all relevant stakeholders in the design and delivery of our employees' skills and knowledge.

Learning initiatives are designed and delivered leveraging on internal faculties and content experts that ensure the coherence to business and employees needs and that are ambassadors of UniCredit values of caring and accountability: in 2024 over 13 functional/ country University catalogues were finalised.



UCB CZSK Well-Being programmes focus on positive impacts across physical, mental, social, career, and financial well-being, with flexible work policies to improve work-life quality. Development opportunities, inclusive leadership programmes, community engagement, and transparent communication channels build trust and collaboration, fostering a supportive and engaging work environment.

UCB CZSK aims to enhance our people's well-being through various programs focused on positive impacts, including initiatives to support physical, mental, social, career and financial well-being as well as flexible work policies to improve work-life quality. Professional development opportunities and inclusive leadership development foster career growth and diversity. Community engagement and volunteer opportunities promote a sense of purpose, and transparent communication channels build trust and collaboration. These comprehensive measures create a supportive, engaging, and inclusive work environment, driving both employee belonging and organizational success.

Additionally, UniCredit Group and also UCB CZSK's recruiting process supports young talent development through partnerships with universities and the tech sector, emphasising diversity and inclusion. This strategy strengthens UniCredit's talent pipeline, supporting innovation, inclusivity, and long-term talent acquisition goals.

Strategic Partnerships with Universities and Trainee program support UniCredit Group and also UCB CZSK in increasing its attractiveness for young generation, thus supports the diversity and inclusion. This approach creates opportunities for UniCredit Group and also UCB CZSK to build a diverse workforce and to strengthen its talent pipeline by engaging with diverse communities and fostering relationships with key educational institutions. These initiatives enhance the company's innovation, inclusivity, and long-term talent acquisition strategy.

UniCredit Group and also UCB CZSK are committed to building a better tomorrow for all our stakeholders by championing diversity and equality at all levels of our organisation. Our primary focus is to unlock the full potential of our people fostering a positive and inclusive work environment. This approach ensures sustainable growth, new business opportunities, and a cohesive work environment focused on productivity, personal and professional well-being, and the continuous engagement of our people. At UniCredit, we are striving to create value for everyone, everywhere. We look forward to continuing this journey together and achieving our shared goals keeping our Values of Integrity, Ownership and Caring at the centre of everything we do.

### **Actions taken: effectiveness and results**

UCB CZSK in line with UniCredit Group employs a robust tracking and assessment framework to evaluate the effectiveness of our DE&I and Learning initiatives. This includes monitoring specific metrics and KPIs, conducting regular feedback sessions, and benchmarking against industry standards. For DE&I, regular reports ensure transparency and accountability, with leadership evaluated on their progress toward DE&I goals during performance reviews. Similarly, all Learning and Development activities are systematically recorded in the UniCredit Group's Learning Management System (currently MyLearning), ensuring comprehensive monitoring and evaluation. These approaches collectively foster continuous improvement, enabling us to drive meaningful impact and support a Culture of inclusivity and growth.

UniCredit Group remains committed to drive equal pay for equal work, ensuring fair remuneration based on role, responsibilities, and contributions without discrimination across any diversity strands.

Investments in training and development for our people: UniCredit Group University, the UniCredit Group's Learning and Development Framework, offers structured leadership and functional expertise programmes for professional and personal growth. Partnerships with educational institutions support career development and continuous learning. Work-life balance solutions, including flexible working arrangements and well-being resources, further support our employees. These initiatives strengthen UniCredit's position as an employer of choice.

UCB CZSK is proactively addressing material risks and opportunities related to its workforce by implementing comprehensive policies and frameworks. These initiatives aim to mitigate risks arising from its impacts and dependencies on employees, while enhancing overall well-being, equal opportunities, and career growth.

The Human Rights Commitment, grounded in international standards, promotes fair wages, quality employment, and social dialogue, alongside skill development through dedicated training programs. Complementary UniCredit Group and UCB CZSK internal policies, such as the Group Remuneration Policy, ensure that compensation aligns with risk-adjusted performance and sustainability goals, while discouraging excessive risk-taking.

The Diversity, Equity, and Inclusion Global Policy implemented within UCB CZSK internal policies fosters a flexible and inclusive culture, actively preventing discrimination and enhancing employee performance through forward-thinking training. Additionally, UniCredit's Global Policy against harassment and bullying promotes a respectful and diverse workplace applicable for all entities within UniCredit Group, reinforcing its reputation as an employer of choice. Recruiting initiatives focus on building a diverse talent pipeline through partnerships with universities and the tech sector, ensuring long-term innovation and inclusivity.

These efforts are supported by mandatory training programs designed to uphold business conduct and safeguard the UniCredit Group and also UCB CZSK's reputation. The effectiveness of these actions is monitored through transparent performance reviews, career development plans, and continuous dialogue with employees, ensuring alignment with UniCredit Group and also UCB CZSK's strategic goals.



Mandatory training at the Group Level plays a critical role in preventing and mitigating business conduct risks, with implications for internal and external reputation, and legal liability of both employees and management.

Risks on business conduct are prevented / mitigated through specific mandatory trainings, assigned at Group Level. Mandatory training represents one of the crucial aspects of the training activity carried out within the Group, considering its effects in terms of internal and external reputation and the implications in terms of penal, civil, administrative liability of the single employee and the top management of the Group, as well as, in the final analysis, of the Group itself.

## Metrics and targets

### S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

UniCredit Group and UCB CZSK is committed to fostering a Culture that empowers individuals, enhances the UniCredit Group and also UCB CZSK's reputation, strengthens talent attraction, and promotes engagement and belonging.

Our DE&I initiatives are related to dedicated goals in areas such as:

- Ensure equal pay for equal work: UCB CZSK took measures in 2021 to reduce the non-demographic gender pay gap ("GPG") to levels below 2%. Since then the GPG is monitored on regular basis. During the process of annual salary review and bonus allocation, rules are followed to ensure that GPG will stay at the level below 2%.
- Awareness and Education on DE&I: Initiatives like the DE&I Global Policy and dedicated guidelines support employee understanding of biases, encouraging an inclusive mindset. Training covers inclusive language, recruitment practices, and gender transition support.
- Increase awareness on the principles related to DE&I UniCredit Group Global Policy and UniCredit Global Policy against harassment, sexual misconduct, bullying and retaliation.
- Behavioural and Cultural Change: We encourage employees to embrace inclusive behaviours, fostering a diverse, equitable environment that values each colleague.
- Deeper understanding of biases and developing a more inclusive mindset, breaking down barriers and supporting diversity of thought.
- Reflect on expected DE&I behaviours, encouraging personal reflections on how to act inclusive every day

UniCredit Group and also UCB CZSK supports a Culture of inclusion across all levels and geographies, working to be an employer of choice with a strong DE&I Culture. Employee Networks (e.g., LGBTQIA+, gender, disability, and cultural diversity) offer safe spaces, amplify diverse voices, and support our communities.

By fostering a diverse, inclusive and supportive environment, UniCredit Group and also UCB CZSK enhances organisational success and individual well-being, aligning with sustainable growth and stakeholder expectations.

### S1-6 - Characteristics of the undertaking's employees

#### Information on employee head count by gender

GENDER	NUMBER OF EMPLOYEES (HEAD COUNT)	NUMBER OF EMPLOYEES (HEAD COUNT - ANNUAL AVERAGE)
Male	1 219	1 225
Female	2 247	2 261
Other	-	-
Not reported	-	-
<b>Total employees</b>	<b>3 466</b>	<b>3 486</b>

All figures are reported in head count as of the end of the period (31 December of the reporting year). The HR system provides 100% coverage and uses actual data, not estimates. Moreover, the total workforce figures are the same as indicated in the Financial Statement, but with different splits.

**Employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees**

COUNTRY	NUMBER OF EMPLOYEES (HEAD COUNT)	NUMBER OF EMPLOYEES (HEAD COUNT - ANNUAL AVERAGE)
Czech Republic	2 450	2 446
Slovakia	1 016	1 040

**Information on employees by contract type, broken down by gender (head count)**

HEAD COUNT	FEMALE	MALE	OTHER	NOT REPORTED	TOTAL
Number of employees (head count)	2 247	1 219	-	-	3 466
Number of employees (head count - annual average)	2 261	1 225	-	-	3 486
Number of permanent employees (head count)	2 099	1 127	-	-	3 226
Number of permanent employees (head count - annual average)	2 086	1 124	-	-	3 209
Number of temporary employees (head count)	148	92	-	-	240
Number of temporary employees (head count - annual average)	176	101	-	-	277
Number of non-guaranteed hours employees (head count)	-	-	-	-	-
Number of non-guaranteed hours employees (head count - annual average)	-	-	-	-	-
Number of full-time employees (head count)	1 985	1 179	-	-	3 164
Number of full-time employees (head count - annual average)	2 004	1 184	-	-	3 188
Number of part-time employees (head count)	262	40	-	-	302
Number of part-time employees (head count - annual average)	258	41	-	-	298

### Information on employees by contract type, broken down by region (head count)

HEAD COUNT	CZECH REPUBLIC	SLOVAKIA
Number of employees (head count)	2 450	1 016
Number of employees (head count - annual average)	2 446	1 040
Number of permanent employees (head count)	2 278	948
Number of permanent employees (head count - annual average)	2 258	951
Number of temporary employees (head count)	172	68
Number of temporary employees (head count - annual average)	188	89
Number of non-guaranteed hours employees (head count)	-	-
Number of non-guaranteed hours employees (head count - annual average)	-	-
Number of full-time employees (head count)	2 179	985
Number of full-time employees (head count - annual average)	2 180	1 008
Number of part-time employees (head count)	271	31
Number of part-time employees (head count - annual average)	267	32

### Characteristics of the undertaking's Employees

NUMBER AND RATE OF EMPLOYEE TURNOVER	TOTAL
Employees who have left undertaking	(212)
Turnover rate	-6 %
Number of employees previous year (head count)	3 505

Includes the employees who left voluntarily or due to dismissal, retirement, or death.

## S1-7 - Characteristics of non-employee workers in the undertaking's own workforce

For non-employees, we will report data in terms of Head Count (HC).

The categories are as follows:

- Leased Workers: Individuals whose workforce is leased to UCB CZSK, typically through external agencies (such as Adecco, Manpower, etc.), for a limited period. This is based on a contract between the agency and UCB CZSK. (NACE Code N78)
- Contractors: Individuals with temporary contracts related to a specific project or task, who have a direct contract with UCB CZSK.
- All figures are reported in HC as of the end of the period (31 December of the reporting year).

Our HR system provides 100% coverage and uses actual data, not estimates, including for non-employees.

As of 31 December 2024, the number of non-employees' workers is 486.

## S1-8 - Collective bargaining coverage and social dialogue

### Collective bargaining coverage and social dialogue

COVERAGE RATE	COLLECTIVE BARGAINING COVERAGE		SOCIAL DIALOGUE
	EMPLOYEES – EEA (FOR COUNTRIES WITH >50 EMPLOYEES REPRESENTING > 10% TOTAL EMPLOYEES)	EMPLOYEES – NON-EEA (ESTIMATE FOR REGIONS WITH >50 EMPLOYEES REPRESENTING > 10% TOTAL EMPLOYEES)	WORKPLACE REPRESENTATION (EEA ONLY)(FOR COUNTRIES WITH >50 EMPLOYEES REPRESENTING > 10% TOTAL EMPLOYEES)
80-100%	Czech Republic, Slovakia	-	Czech Republic, Slovakia

The above table refers to percentage of employees covered by collective bargaining agreements and social dialogue.

Maintaining proactive and regular dialogue with our workforce strengthens spirit of collaboration and helps unlocking value creation. UCB CZSK has a proud track record of consistent engagement with our people , and this has enabled us to manage the many market challenges we have faced over the years. At the heart of our drive to maintain effective and mutually beneficial industrial relations is our unwavering commitment to respecting local laws and the terms and conditions of collective agreements, including employees' rights to exercise freedom of association and collective bargaining.

Workers' interests are by trade unions in line with applicable labour laws and industrial relations systems. Workers' representation and dialogue with their union representatives is carried out in compliance with applicable legislation and current union agreements. UCB CZSK allows workers' representatives to carry out union activities in accordance with applicable legislation and current union agreements.

## S1-9 - Diversity metrics

### Gender distribution at top management level

	NUMBER OF EMPLOYEES AT TOP MANAGEMENT LEVEL	PERCENTAGE OF EMPLOYEES AT TOP MANAGEMENT LEVEL BY GENDER
Male	35	73 %
Female	13	27 %
<b>Total</b>	<b>48</b>	<b>100 %</b>

In the Top Management figures are considered members of Board of Directors and managers directly reporting to members of the Board of Directors.

### Employee distribution by Age Group

NUMBER OF EMPLOYEES (HEAD COUNT) BY AGE GROUP	NUMBER OF EMPLOYEES	%
Under 30 years old	319	9 %
30-50 years old	2 312	67 %
Over 50 years old	835	24 %

The age distribution of employees is determined by categorising the total headcount into three groups: employees under 30, employees between 30 and 50, and employees aged 50 and above. The headcount in each category is then divided by the total workforce, including both male and female employees, to ensure consistency in reporting.

## S1-10 - Adequate wages

All colleagues receive adequate wages. Adequate wages are specified with reference to the Commission Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, specifically to the benchmark referring to the Directive (EU) 2022/2041 of the European Parliament and of the Council on adequate minimum wages in the European Union. Adequate wage benchmark shall not be lower than the prevailing minimum wage established by local regulations. In the Czech Republic the

minimum salary is set at 18 900 CZK, in Slovakia at 750 EUR (in case of more complex positions such minimums are multiplied by coefficient set by the local regulations).

## S1-11 - Social protection

All colleagues are covered by social protection in accordance with the Social Insurance Act and related regulations in the Czech Republic and in Slovakia. Every employer and employee obliged to contribute given % of the salary on social contributions.

## S1-12 - Persons with disabilities

### Employees with disabilities

NUMBER OF EMPLOYEES	TOTAL
Employees with disabilities	64
Total number of employees	3 466
Percentage of employees with disabilities	2 %

A person with disabilities is an individual whose health status limits their ability to perform certain activities, such as movement, work, or social inclusion. This includes individuals officially recognised as having a disability according to the legal and regulatory standards of their country. This definition accommodates regional legal frameworks and ensures a standardised approach to identifying and reporting employees with disabilities across different jurisdictions in compliance with CSRD requirements.

## S1-13 - Training and skills development metrics

Training hours are defined as the time dedicated to training and skills development, including in-presence and virtual sessions, online courses, workshops, certification programs, educational opportunities. This measure does not encompass trainee programs, course development, or instructors' teaching time.

To calculate training hours per employee, disaggregated by gender, the total recorded training hours in the reporting period were divided by the headcount of each gender. All employees within UCB CZSK are included in these headcounts, thereby meeting CSRD requirements for consistent and transparent reporting of training and professional development data.

The percentage of employees participating in performance appraisals is calculated using the total headcount from the S1-6 disclosure as the denominator. This total includes employees who are not appraisal-eligible but remain part of the workforce, thereby preventing the metric from reaching 100%. Because all individuals in excluded categories are counted as non-participants, the rate does not reflect only those who are eligible and participate in appraisals.

### Training and skills development indicators by gender

	TOTAL NUMBER OF EMPLOYEES	TOTAL NUMBER OF EMPLOYEES PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS	PERCENTAGE OF EMPLOYEES THAT PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENTS AND	OF THAT IN
Male	1 219	922	76 %	
Female	2 247	1 569	70 %	
Other	-	-	-	
<b>Total</b>	<b>3 466</b>	<b>2 491</b>	<b>72 %</b>	

### Average number of training hours by gender

	TOTAL NUMBER OF EMPLOYEES	TOTAL NUMBER OF TRAINING HOURS	AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE
Male	1 219	43 291	36
Female	2 247	80 723	36
Other	-	-	-
<b>Total</b>	<b>3 466</b>	<b>124 014</b>	<b>36</b>

## S1-15 - Work-life balance metrics

### Percentage of entitled employees that took family-related leave by gender

	NUMBER OF EMPLOYEES THAT TOOK FAMILY-RELATED LEAVE	PERCENTAGE OF ENTITLED EMPLOYEES THAT TOOK FAMILY-RELATED LEAVE
Male	25	1 %
Female	220	7 %
<b>Total</b>	<b>245</b>	<b>7 %</b>

At UCB CZSK, all employees are entitled to take family related leave.

Employees are guaranteed the right to family related leave, as outlined in our formal employment policies, handbooks, and contractual terms. This commitment aligns with applicable labour regulations and supports our CSRD obligations by promoting a supportive and inclusive work environment.

## S1-16 - Compensation metrics (pay gap and total compensation)

The gender pay gap is determined on gross hourly pay (including variable components) for male and female employees. Weighted averages are applied across all UCB CZSK entities. The calculation subtracts the average gross hourly pay of female employees from that of male employees, then divides by the average gross hourly pay of male employees, and finally multiplies by 100. The difference between salary levels of Czech Republic and Slovakia is neutralized. The calculation does not reflect the demographic factor, i.e. different portions of genders in various positions and seniorities in organizational hierarchy. Gender pay gap based on the described methodology is 27,5%.

UCB CZSK also measures and follows as main KPI so called "same-role gender pay gap" which is long term maintained below 2%.

The total compensation ratio of the UCB CZSK CEO to the median UCB CZSK employee is 1:23 as of December 2024.

The total remuneration ratio is determined by dividing the total annual remuneration of the highest-earning employee (in this case, the UCB CZSK CEO) by the median total annual remuneration of employees within UCB CZSK.

## S1-17 - Incidents, complaints and severe human rights impacts

### Number of incidents of discrimination and number of complaints

	31.12.2024
Total number of incidents of discrimination	1
Total number of complaints filed through channels for people in own workforce to raise concerns	3
Total number of complaints filed to National Contact Points for OECD Multinational Enterprises	-

It should be noted that no costs referred to work-related incidents of discrimination have been recognized during financial year 2024.

Finally, as per request of ESRS S1-17 par.104, no cases of severe human rights incidents have occurred during the year.

It should be noted that no costs for work-related incidents of discrimination filed through dedicated channels have been recognised during the financial year 2024.

## ESRS S2 - Workers in the value chain

### Impact risk and opportunity management

#### S2-1 - Policies related to value chain workers

UniCredit Group and also UCB CZSK is aware of the importance of human rights, including in its relationship with its value chain. Despite this, UniCredit and also UCB CZSK's commitment to addressing value chain workers' human rights has not materialised into a dedicated policy. The respect and guarantee of human rights are addressed by the UniCredit Group through its Human Rights Commitment, which is UCB CZSK following and which covers the material impact resulted from the DMA:

- Awareness and dissemination of the culture of ethics and human rights (child and forced labour) by business partners and other stakeholders increases responsibility and fair practices across value chains.

For instance, the Human Rights Commitment applies to UniCredit Group and also UCB CZSK's clients and their workers as indirect social stakeholders. The Commitment fosters the awareness and dissemination of the culture of ethics and human rights among UniCredit Group and also UCB CZSK's stakeholders, while increasing responsibility and fair practices across value chains.

UniCredit Group and also UCB CZSK is aware of the importance of a tracking system to ensure that human rights performances are monitored. Potential cases of non-respect of human rights are identified and adverse human rights impacts are correctly managed and, if any exist, they are addressed. The monitoring of the effectiveness of the Human Rights Commitment leverages on existing processes linked to the policies and principles mentioned within this document and managed by the related functions.

Our Group adopts an "outside-in" approach in order to monitor stakeholders' views on reputational risks of the banking sector. Stakeholders' views are assessed and monitored through the double materiality analysis that we run and will be updated yearly. This approach aims at improving the Group capability to prevent, minimize and manage the reputational risks that may occur, leveraging also on the results of our periodic stakeholder engagement activities.

In addition, in 2023, UniCredit Group published a Statement on Modern Slavery Act and Human Trafficking, addressing trafficking in human beings, forced labour and child labour: the Statement is willing to disseminate our culture of ethics and respect for human rights.

For more details on our Statement on Modern Slavery Act and our Human Rights Commitment, reference is made to "Policies adopted to manage material sustainability matters".

#### S2-2 - Processes for engaging with value chain workers about impacts

UCB CZSK currently does not have any specific engagement process targeting workers of our clients.

#### S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

Currently, UCB CZSK does not have any specific channel for raising concerns dedicated to the workers of our clients.

#### S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Currently, UCB CZSK does not have any specific action targeting the workers of our clients, since they do not represent a direct stakeholder target of UCB CZSK activities. Therefore, UCB CZSK is not in the position of taking direct actions against them.



## Metrics and targets

### S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Currently, UCB CZSK does not have any specific targets on the workers of our clients, since they do not represent a direct stakeholder target of UCB CZSK activities. Therefore, UCB CZSK is not in the position of taking direct actions against them.

## ESRS S3 - Affected communities

### Impact risk and opportunity management

#### S3-1 - Policies related to affected communities

UniCredit Group's relationship with affected communities is highlighted by existing policies which address material impacts and opportunities resulted from the DMA process: ESG Product Guidelines that were implemented within UCB CZSK internal policies through internal policy ESG Product Guidelines.

##### Impacts:

- contributions to various social causes with positive socioeconomic impacts such as education, health, and community development programmes;
- improving access to credit and disseminating financial culture in the communities, with a focus on supporting younger and more vulnerable and/or low-income groups through dedicated products and services in order to enhance economic development and investor confidence.

##### Opportunities:

- Strategic community partnerships, collaborations with local organisations, industry and professionals' associations and community groups to create sustainable and impactful programmes;
- Improvement of relationships / consolidation of positioning within territories and communities of reference through the promotion of initiatives of financial inclusion targeting vulnerable groups;
- Establish and promote employee volunteering programmes that contribute to the well-being and development of local communities and support associations and projects in the area;
- Increase in market share through the expansion of product offerings with positive social impact, such as those related to the third sector;
- Opportunities for the Bank to gain an improved image among competitors and attract socially conscious investors, if it is able to anticipate and react to political and societal changes.

UniCredit Group and also UCB CZSK Human Rights Commitment also applies to the affected communities, guaranteeing that the human rights of communities are respected in line with the generally accepted international instruments. UniCredit Group and also UCB CZSK Commitment is aligned with internationally recognized instruments, including the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities. There have been no cases of non-compliance with reference to affected communities.

UniCredit Group and also UCB CZSK strives to make a positive contribution in the countries where we operate, going beyond business conduct based on best practices to actively contribute to the well-being and advancement of the people. This includes acknowledging and promoting the importance of human rights and related topics among communities.

UniCredit Group and also UCB CZSK long tradition in supporting communities is based on the strong bond between cultural and economic investment, sustainability, and social inclusion, fostering a sense of belonging and promoting shared knowledge and common dialogue, on art, music and sport. Through strategic partnerships, sponsorships, and targeted projects, we strive to make these more accessible, with a focus on involving younger generations. UniCredit Group and also UCB CZSK also react to emergencies by putting our skills and infrastructure at the service of our communities (e.g. volunteer days, employee fundraising).

Through the UniCredit Foundation, UniCredit Group and also UCB CZSK is committed to supporting education across Europe and making a genuine impact on the prospects of young people (e.g. Junior Achievement, Teach for Slovakia). Investing in education is a linchpin for ensuring comprehensive growth and development across society and fostering a better future for individuals and their communities.

As responsible financial habits are fundamental to stimulating real cultural change and community development, UniCredit Group also develops a range of financial education programmes and tools across Group countries in order to improve the personal financial management skills of our citizens.

In line with UniCredit Group and also UCB CZSK's values, the Foundation is also dedicated to involving UniCredit Group employees in social initiatives. This involves matching their donations and supporting local communities in times of crisis or need. As formalized in our People & Culture Framework, UniCredit Group and also UCB CZSK promotes employee volunteering programs that contribute to the well-being and development of local communities.

## S3-2 - Processes for engaging with affected communities about impacts

UniCredit Group and also UCB CZSK is directly involved with the communities in delivering offer, products and services or any support provided.

UniCredit Group and also UCB CZSK continuously involve the communities within our activities, engaging the different stakeholders with many different initiatives, and also organising specific events in order to reinforce our connections with the territories and social partners and communities. The frequency of the engagement depends on the type of initiative organised (refer below for more details).

This is especially done with reference to stakeholders that could mainly be affected by impact (meaning vulnerable categories such as low income people, people at risk of social and financial exclusion, young people and students, people with disabilities, women, the elderly, etc)

To ensure communities' sustainable progress, we leverage our social contribution – focusing on specific projects related to youth, education and a just transition. This is in line with our commitment to fostering the financial inclusion of clients and vulnerable individuals.

### Engaging with NGOs

UniCredit Group and also UCB CZSK have strengthened our engagement with NGOs and civil society at large, carrying out dedicated initiatives where appropriate to assess any gaps identified in our ESG strategic positioning and highlight the Group's improvements regarding sustainability material topics, such as just and fair transition, Net Zero, biodiversity, policy updates (e.g. weapons), STEEL principles and decarbonisation. During the year, we continuously engaged with NGOs in order to:

- receive their feedback to update our sector policies;
- share our targets on official commitments before disclosure (for example, Net Zero);
- participate in and contribute to banking surveys and engagement questionnaires;
- interact on relevant reports and roundtables;
- involve them in our stakeholder engagement initiatives.

### Employee volunteering initiatives

In alignment with our purpose of "Empowering our communities to progress" UniCredit Group and also UCB CZSK encourages its employees to participate in activities to support the communities in which we operate through corporate volunteering initiatives, in addition to those carried out by employees individually beyond working hours. All UniCredit Group and also UCB CZSK employees have a minimum of one paid day off a year to dedicate to volunteering activities.

### Engaging with the community:

#### The ESG Day

On 14 November 2024, UniCredit Group hold the second ESG Day: "A challenged future: choosing the path ahead". The one-day event put the focus on our clients and provided a forum to discuss challenging issues and sustainability trade-offs, with a view to defining concrete solutions. The event saw more than 13,000 participants join in either online or in person across ten different UniCredit Group locations, including the Czech Republic and Slovakia.

The event served as a forum to review and assess the concrete solutions available to us as we seek to address a range of pressing challenges. How can we go about solving the trade-off between environmental and social concerns? How can we balance profit and sustainability? And how can we best accompany our clients as they navigate a complex transition? We probed into all of this and more through a series of panels, with expert speakers challenging the status quo without losing focus on the importance of building this path together.

**Skills for Transition** is a social programme, fully funded by UniCredit Group.

It delivers strategic training to young people, including students and those not in education, employment or training (NEETs), and companies expected to be impacted by the green transition, helping them to develop the skills they need to meet the demands of a changing environment whilst generating a measurable social impact.

The initiative sits firmly in line with UniCredit Group and also UCB CZSK's strong commitment to promoting a just and fair transition, as well as its consistent support for education - a key driver for Europe's future. Together, these form part of the bank's stated purpose of empowering its communities to progress and underpin many of its ESG goals.

The Skills for Transition programme runs across six UniCredit Group countries: Italy, Germany, Bulgaria, Czech Republic, Slovakia and Romania.

### **S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns**

As of today, we do not have specific channels or processes to remediate negative impacts in communities.

UniCredit Group Global Policy – Anti-retaliation (with the aim of preventing, investigating and protecting employees and third parties from acts of retaliation) implemented also by UCB CZSK through UCB CZSK internal policies on Code of Conduct and Whistleblowing Policy.

### **S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions**

UniCredit Group and also UCB CZSK support communities and vulnerable people, for whom we provide a wide range of financial education programmes to increase awareness of economic topics and reduce social gaps. UniCredit Group and also UCB CZSK continuously support communities through UniCredit Group Social Strategy, focusing on social finance, own social contribution to the communities, and the support we give our people.

The effectiveness of all our initiatives is tracked in different ways based on the specific intervention considered. This is mainly represented by feedback sessions, ad hoc surveys, interviews, satisfaction questionnaires, workshops, engagement events and awareness campaigns.

We are committed to building strong relationships with local communities through initiatives that run year-on-year, targeting the communities across all countries in which we operate. Following a qualitative description of these initiatives:

#### **Community contributions**

UniCredit Group and also UCB CZSK goal is to grow by offering development opportunities to communities, clients and the local area. We do this through our work and by building financial and social inclusion with corporate citizenship and philanthropic initiatives.

#### **Promoting and supporting culture**

UniCredit Group also UCB CZSK is proud to support arts and culture as an engine of social, economic and sustainable development, with a focus on youth and education. Our collaborations are built on a shared commitment to social issues, embodying UniCredit's pan-European aim to strengthen bonds with its communities and help improve quality of life and togetherness.

UCB CZSK supports young talented musicians.

#### **UniCredit Foundation contribution**

The UniCredit Foundation invests in young people to ensure equal access to opportunities for growth and development in partnership with national and international Non-Profit Organisations, and Educational Institutions. Ultimately, the aim is to give young people the chance to realise their full potential in society. UniCredit Foundation concentrates its activity in the countries of operation of the Group with a special focus on the most underserved communities.

Furthermore, UniCredit Foundation strives to support the brightest talents in the fields of economics and finance through scholarships, research grants and research awards in the countries in which the Group operates.

Finally, UCF actively fosters the engagement and participation of UniCredit people in line with the Group value of caring. Creating opportunities for employees to contribute strengthens internal cohesion, ignites a sense of belonging and responsibility, and builds meaningful connections.

UniCredit Foundation's priorities (School, Job and University) are reached via distinct channels of actions.

#### **International partnerships**

UCF is leading two multi-year international partnerships with global education network organizations to deliver sustainable outcomes across our operating countries.

The 3 years partnership with Junior Achievement is covering 10 countries (Austria, Bulgaria, Czech Republic, Germany, Hungary, Italy, Serbia, Slovenia, Slovakia and Romania) and is focused on vulnerable young (age 10-19) which will be inspired, empowered and mobilized to see new possibilities for themselves and increase their awareness about the long-term benefits of education, while being inspired to find careers they are passionate about.

With Teach For All the Foundation launched a 3 years partnership operating in 6 UniCredit countries (Italy, Germany, Austria, Slovakia, Romania and Bulgaria). The TFA program recruits and trains promising teachers who are committed to teaching in marginalized schools for at least two years. Through ongoing training and development, these teachers become strong classroom leaders and determined advocates for their students. In 2024 the Foundation supported TFA in the implementation of a community-centered approach, aimed to deepen impact and accelerate systemic transformation in schools within vulnerable areas in three target countries: Austria, Italy and Romania.

### **Grassroots initiatives**

The Foundation is driving grassroots initiatives with an approach focused on capacity building, identifying and implementing best practices with high potential for scaling. These efforts are supported by the introduction of monitoring and impact measurement tools to track progress and ensure effectiveness, paving the way for broader expansion.

In 2024 the Foundation oversaw the implementation of 26 non-profit organizations projects selected and funded through the 2022-2023 Calls for Education.

The Calls were aimed at identifying and supporting programs combating educational disadvantage in 10 different European countries where UniCredit operates. These programs are dedicated to secondary school students (age 11-19) focusing on tackling early school leaving, encouraging university attainment, and acquiring adequate skills to enter the job market.

### **Edu-Fund Platform**

In July 2024 UniCredit Foundation launched the Edu-Fund Platform, a year-round granting scheme to support educational interventions that, with a multidimensional approach, help address the educational challenges faced by young people across the countries where UniCredit operates. The platform, with a substantial funding pool of up to €14 million, will remain open until April '25, offering three streams of funding opportunities, ranging from €100,000 to over €1 million, to cater to a range of program scales. These streams are designed to engage a diverse array of entities committed to fostering quality education and regional development, ensuring a comprehensive and inclusive response to the educational needs of the community.

Finally, the Foundation supports employee's social contribution through dedicated initiatives including Gift Matching Program, Rest-Cent, Summer School & Volunteering.

### **Financial education**

In 2024, we carried out several financial education and awareness initiatives across our countries, focusing on priority beneficiaries such as the young, women and vulnerable individuals and using new communication channels such as social networks and web platforms.

Local initiatives supporting children and education are described in more detail within "ESG in UniCredit Bank Czech Republic and Slovakia".

#### **Banking Academy contribution**

Education is a fundamental aspect of UCB CZSK's ESG strategy. The financial education programme aims to promote social inclusion by providing training and information to young people, the elderly, women, people with disabilities, entrepreneurs, small and medium-sized enterprises, and third-sector organisations.

A profound economic and social transformation is underway, comprised of constantly evolving economic scenarios, increasing digitalisation, and weakening welfare.

For this reason, it is important to support professionals and citizens in facing this transformation through skills growth, which the financial education provides.

Education is a key driver of positive social impact in communities through training and information on the following topics:

- Banking and finance
- Cyber Security
- Sustainability and ESG
- Entrepreneurship

Through the financial education UCB CZSK creates paths that lead to changes in the behaviour of citizens and professionals who benefit from the initiatives. Through our activities we activate strategic partnerships, professional networking, alliances with local communities, networks of competent volunteers, responses to local community needs and the country's production chains.

## Metrics and targets

### S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Since the measurement of the positive impacts on the communities generated by our activity has not yet been measured by the Group, the Group currently does not have targets related to advancing positive impacts and managing material opportunities.

## ESRS S4 - Consumers and end users

### Impact risk and opportunity management

#### S4-1 - Policies related to consumers and end-user

UniCredit Group and also UCB CZSK are aware that the financial sector plays an important role in the economy, ensuring stable markets and providing financial support to our society. Banks also have an important social function that goes far beyond lending. They act as one of the engines of social progress and help clients and communities make meaningful progress towards a more sustainable, inclusive and equitable society in the long term. Principles towards clients are formalized within UniCredit Group and also UCB CZSK policies, which address impacts, risks and opportunities resulted as material during the DMA process:

##### Impacts:

- Ensure the UniCredit Group and also UCB CZSK transformation of the distribution and production model, making it more sustainable through greater digitalisation, the creation of new technologies, the access to information, the adoption of cloud solutions, the use of AI.
- Breach and loss of customer data and poor cybersecurity management.
- Informed decisions to customers through transparent, neutral and fair advice, also providing the possibility to express their feedbacks.
- Increased and improved customer satisfaction and end-users experience by meeting their expectations.

##### Risks:

- Operational risk: Risk of operating losses due to unauthorized access to customer data (Data Breach) with the purpose of obtaining a personal advantage and due to cyber attacks.
- Reputational risk: failure to meet the consumers and end-user' needs and/or to guarantee the customers' data integrity that may lead to negative impacts.

##### Opportunities:

- Creation of a long-term relationship with customers through a strong and safe ICT systems.
- Expansion of market shares and improvement of retention thanks to the implementation of solutions, products and digital / innovative services.
- Enhance client loyalty and retention through the optimization of corporate assets in terms of privacy and data security and quality information.
- Enhancement of relationships with clients and shareholders through clear and transparent communication.

Our Human Rights Commitment is a commitment made by the UniCredit Group and also UCB CZSK and applies to these categories of stakeholders (Employees – Clients – Suppliers – Communities) and it's being regularly updated to ensure compliance with the main international standards and norms.

Then in UCB CZSK for common complaints or claims from clients regarding services we have a complaint procedure incorporated in internal rule ("Postup pro vyřizování reklamací a stížností klientů banky"). Whistleblowing policy is procedure for reporting frauds or bank's failures based on employee misconduct ruled through UCB CZSK internal regulation "Oznamovací povinnosti vůči Compliance a ochrana oznamovatele" (Notification obligation to the Compliance and the protection of whistleblower), based on UniCredit Group's Directive on Whistleblowing.

For more information on our Whistleblowing procedures, please refer to section G1 – Business conduct.

Sales and financial advice activities shall responsibly meet clients' needs, leveraging on our employees' competencies and professional conduct, our best-in-class products and services, our simplified business model driven by UniCredit Group and also UCB CZSK's values of integrity, ownership and caring and the alignment between the incentive system and the achievement of long-term value creation and sustainable results. Code of Conduct and Code of Ethics formalize our commitment to guaranteeing that our clients are provided with clear, neutral and fair advice, and transparent communication, while providing the possibility to express their feedback. UniCredit Group and also UCB CZSK has in place mechanisms (e.g., whistleblowing procedures, customers' complaint management, etc.) allowing us to collect information on stakeholders' feedback and grievances with reference to Group practices and any negative impact that we may have caused or contributed to via our own activities. We analyse processes from the client's perspective, for example, by identifying complexities that could be removed and ways we could enhance the customer experience through all channels. All the data and feedback collected are analysed to help us redesign processes and improve operations to meet client needs better. Complaints management system in UCB CZSK allows us to identify sources of concern and promptly resolve them to the satisfaction of our clients.

UniCredit Group and also UCB CZSK is committed to promoting a corporate culture based on ethical behavior and good corporate governance, thus fostering an environment in which people are encouraged to report unacceptable conduct within the Group.

UniCredit Group and also UCB CZSK aims to meet customers' expectations by providing innovative solutions, including the development of tailored financial products and services designed for clients and the broader community, while also addressing the needs of vulnerable individuals and specific client segments, as highlighted in the ESG Product Guidelines that were implemented within UCB CZSK internal policies through internal policy ESG Product Guidelines.

UniCredit Group and also UCB CZSK is committed to the following principles/rights relevant to all stakeholder categories, including clients, both individuals and enterprises, with particular attention to those presenting social and economic vulnerability:

#### **Privacy and data protection**

UCB CZSK is aware of the importance of respecting our stakeholders' privacy (e.g. the personal data and confidential information of employees and clients), including disclosing such information to third parties. Our approach to privacy and data protection is in line with the local laws and regulations governing the topic. It applies to all forms of personal data, independent of the stakeholder they refer to and/or the channel they have been received through. To mitigate risks regarding data breaches, we use appropriate administrative, technical, physical and security measures to meet legal requirements and to safeguard personal data against loss, theft and unauthorized access, use or modification. This approach permits to enhance client loyalty and retention, through the optimization of corporate assets. In UCB CZSK are these rules incorporated in following internal rules:

- Ochrana osobních údajů a bankovního tajemství (Protection of Personal Data and Bank Secrecy)
- Klasifikace a ochrana informací (Classification and Protection of Information).

#### **Sanctions**

UniCredit Group and also UCB CZSK is firmly committed to complying with all applicable sanctions' regulations. In addition, the Group may decide to introduce further restrictions on business activities involving certain countries, organisations, persons, entities or goods, irrespective of whether they are the subject of a particular sanction imposed by a country or international organisation.

UniCredit Group and also UCB CZSK recognizes that certain sectors and activities require a tailored approach to ensure that transactional and related risks are comprehensively understood and managed. For this reason, UniCredit Group and also UCB CZSK embedded in its Reputational risk policies the principles related to international agreements, guidelines and standards (e.g. World Bank Group's Environmental, Health and Safety Guidelines, the UN Global Compact principles) considering their respect and alignment as minimum requirement for the client relationship avoiding potential social and environmental impacts. Through the implementation of appropriate management and mitigation measures UniCredit aims to limit the risks associated with transactions or projects financed for its clients and counterparts. On applying the sector policies, we have developed specific reputational risk assessment systems/tools, some that assess aspects of human rights, in order to evaluate and track clients' risks and performances.

UCB CZSK implemented UniCredit Group rules through its local policy Politika reputačního rizika and Řízení reputačního rizika v oblasti senzitivních sektorů.

## **S4-2 - Processes for engaging with consumers and end-users about impacts**

#### **Engaging with our customers**

While capturing new business opportunities and facilitating stakeholder engagement, the service we provide is measured by identifying and prioritising interventions in areas where improvement is required. Since the beginning of the Covid-19 pandemic, this activity has become even more significant. Our strategic plan uses the Net Promoter Score (NPS) as a key performance indicator. NPS is fundamental to understanding the degree of clients' recommendation and experience of our banking services and this guides our interventions. Starting with key client journeys and touchpoints, the NPS is regularly measured, monitored, analysed and discussed and any written feedback from clients on specific areas is examined. Communication with our clients takes place directly and indirectly through ad-hoc surveys, product newsletters or targeted information campaigns, at the same time, by meeting clients in person at branches, where an important dialogue takes place about the client's needs and how to satisfy them.



After years of experience and knowledge acquired through gathering insights from customers and prospects, in 2017 UniCredit Group defined an integrated approach with a benchmarking study which provides us with a view of customers' and prospects' perception of customer experience, brand reputation and business indicators in local markets. UCB CZSK is using this integrated approach as well. It allows for:

- a fair comparison between the Group and its competitors thanks to a random selection of customers by the research provider (no customer lists provided by the Group) and no mention of the Group as survey commissioner (double-blind approach); mixed interviews of main and secondary Group customers;
- a unique and comparable cross-country and segment view of how the Group is perceived.

The main KPI is the Net Promoter Score (NPS), a metric used across industries to measure customer experience. It is based on the sole question, "How likely are you to recommend our Bank to ..., on a scale of 0 to 10?" In the numeric scale, 0 corresponds to not at all likely and 10 to extremely likely. The score is calculated as the difference in percentage between promoters (customers who gave a 9 to 10 score) and detractors (customers who gave a 0 to 6 score). Within the Benchmarking Study, the KPI is more specifically referred to as the Strategic Net Promoter Score to clarify the goal of assessing the overall positioning on high-level topics/areas.

Design-thinking and process-mapping are important tools for improving the customer experience. In this way, we analyse processes from the client's perspective, for example, by identifying complexities that could be removed and ways we could enhance the customer experience through all channels. All the data and feedback collected are analysed to help us redesign processes and improve operations to meet client needs. UCB CZSK complaints management system allows us to identify sources of concern and promptly resolve them to the satisfaction of our clients. UCB CZSK remains committed to strengthening consumer protection and improving awareness.

### **S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns**

UniCredit Group and also UCB CZSK has mechanisms in place to collect information on stakeholders' feedback and grievances with reference to the Group practices and any negative impact that we may have caused or contributed to via our own activities (e.g. whistleblowing procedures allowing both employees and third parties to report their good faith concerns, clients' complaint management, complaints global policy, etc). For general reference please refer to our Human Rights Commitment.

The Whistleblowing Procedure or the Anti-Retaliation Policy applies to clients too. For further information, please refer to section S4-1.

Cybersecurity incident management activities aim to ensure the prompt detection of and adequate response to cybersecurity incidents, minimising negative impacts and contributing to ensuring the best possible levels of information confidentiality, integrity and availability. Security incidents are managed through strong detection processes and Single Points of Contact based on Security Operation Centre capabilities (24 by 7 basis in maincountries). In addition, training and awareness activities are in place.

UniCredit SpA's SOC (Security Operation Center) is servicing UCB CZSK and therefore all security incident management procedures are same as on the UniCredit Group level. UCB CZSK internal regulation is linked to UniCredit Group regulation for ICT Security Incidents and UCB CZSK does not have any local deviations/exceptions.

### **S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions**

An internal regulation for ICT Security Incidents is in place. It applies at the UniCredit Group level and includes roles and responsibilities for ICT Security Incident management. If a security event is detected, it gets classified, communicated, escalated, resolved and duly reported. The process is directly linked to Crisis Management to make sure appropriate levels of communication and support are achieved in case of need. Following Incidents, eradication activities are defined to reduce the possibility of recurrence.

Management process is regulated by UniCredit Group Regulation which is directly applicable to UCB CZSK, because based on internal rule (Group Security Standards Framework) is fully adopted Group rule Cyber Security Incident Management - Global Operational Regulation which includes four phases: preparation, detection and analysis, containment and eradication, post-incident activities and reporting and recording.

Training and awareness described in the initiative A.1 Foster Security Culture.

#### **Impact management**

UniCredit Group and also UCB CZSK aims to maximize positive impacts through activities such as the development of specific financial products and services, financial education initiatives (Teach for Slovakia, Junior Achievement, specific educational activities in High Schools), the dissemination of knowledge and awareness on human rights and through the promotion of philanthropic activities.



These initiatives are addressed to clients and the community at large. They also target specific categories of vulnerable people and clients.

UniCredit Group and also UCB CZSK is aware of the materiality of positive impacts on consumers and end-users from a digital and security perspective, and the need to prevent any potential negative impact and mitigate any risks on consumers and end-users. For this reason, we have planned and implemented numerous actions.

## 2024 Main Actions

Main improvements related to the Digital Risk framework within UniCredit Group and also UCB CZSK came into force in January 2024:

- A straightforward definition of the digital risk oversight perimeter and the Legal Entities' responsibilities
- Enforced guidelines for the Digital Risk Indicators tracking and monitoring
- Enhanced Digital Risk Library, including third-party risk, coherent with the digital ecosystem evolution
- AI and Cloud Risk assessment definition and implementation
- Overall Second Level Control enhancements to support the evolution of the risk context and Digital Strategy
- Continuous alignment with digital risk capabilities, according to industry standards, required to digital risk staff across the UniCredit Group

### Cyber risk appetite

The mission of the UniCredit Group Function (Digital Risk) responsible for ICT and Cyber Risks evolved to be responsible for the UniCredit Group-wide evaluation, monitoring and supervision of digital risks to enable UniCredit to be a safe, secure and resilient digital bank. As a proactive partner to the different stakeholders, Digital Risk has to steer the risk profile.

Current risk appetite metrics allow the Board to understand and cover digital risks quickly through selected metrics. In UCB CZSK we follow the requirements of UniCredit Group Digital Risk. In 2024, continuous monitoring of digital risk Risk Assessment Framework (RAF) KPIs was conducted also locally in UCB CZSK, increasing the scope to third-party risk as well.

### Digital risk dashboard

The results of the executed digital second-level controls in UCB CZSK are reflected in the "Digital Risk Dashboard". This allows the Second Line of Defense to have comprehensive and structured information, and aims to provide an independent, synthetic and managerial view of the Digital Risk to which the UCB CZSK is exposed.

The "Digital Risk Dashboard" outcomes are discussed with UniCredit Group Digital & Information monthly. Key results are discussed quarterly in UniCredit Group Non Financial Risk Committee and Central Europe & Eastern Europe Non Financial Risk Committee. The "Digital Risk Dashboard" is fed by a variety of second level controls (risk assessment, control monitoring) on Group and Local digital processes.

Starting from the first quarter of 2024, ICT and cyber risk evaluations merged into a unified Digital Risk Dashboard (previously reported in two separate dashboards, one for ICT and one for Cyber risks) to monitor and report Group ICT and cyber risks.

Second-level control (2LCs) enhancements in 2024 covering mostly Identity and Access Management, Application Security and Disaster Recovery clusters leading to new indicators and ad hoc assessment with digital experts to address specific risks. Furthermore, 2LCs have been extended on HardWare, SoftWare Infra and application obsolescence.

Moreover, some assessments have been reinforced:

- Risk and Control Self-Assessment (RCSA) was extended to the global digital end-to-end process
- Cyber Security Risk Assessment (Cyber SRA) was integrated with an evaluation of obsolete software and improved in the front-end features to enable automation in 2LCs

### Third-party cybersecurity risk

Monitoring the implementation of the ICT Security risk control framework on third-parties across the UniCredit Group, including escalation processes where needed (high/medium-high residual risk).

Risk validation for outsourcing and non-outsourcing arrangements of critical or important contracts.

### Digital risk thematic review

- Enforcement of the Digital Risk scenarios to increase their effectiveness and coverage, leveraging on both the evolution of the digital threats landscape and audit outcomes (i.e. IT Disaster Recovery, Identity & Access Management), to proactively identify potential digital risks, increasing organisational preparedness and resilience.
- Anticipate, simulate, identify and prepare for potential digital risks and evaluate mitigation strategies.
- Review the current set of second-level controls on specific ICT and security clusters as part of the continuous improvement in risk monitoring.

The new UniCredit Group Digital Strategy, issued in June 2024, supports Governance Functions, specifically Strategy and ESG.

The new strategy has been issued to all directly controlled legal entities of the UniCredit Group and thus applicable also for UCB CZSK. The Digital Strategy has been presented by the UniCredit Group Digital CIO and approved by the Group Board of Directors. The new Digital Strategy targets internal ESG stakeholders to support UniCredit Group sustainability strategy.

The new Digital Strategy includes:

- A continuous enhancement and rollout of the ESG Global Infrastructure used for collecting, enriching, and aggregating granular ESG data, supporting the customers in their decarbonisation journey in terms of transition.
- Integration of ESG KPIs in the Credit and Pricing process of the Bank, leveraging on a set of harmonised tools across all the countries and integration of the ESG applications with the local underwriting tools and core systems services.

To support the ESG strategy and initiatives, provided with digital infrastructure and KPIs for credit and pricing processes, the new digital strategy includes the following actions:

- Sustainable lending at 360°: coverage of a wide array of ESG indicators,
- Integrated Strategic Enabling: future ESG integrations across operations,
- Supporting client-financed emission reductions in line with Net Zero targets.

In alignment with the purpose of the Sustainability reporting, focusing on impacts and opportunities for consumers and users, UniCredit Group Digital highlights three key areas of action relevant for UCB CZSK:

- Security
- Data and AI
- Digital Culture

In each of them, the 2024 UniCredit Group Digital strategy was implemented or there are planned actions for the future.

Each key action is described below in terms of expected outcomes and how their implementation contributes to the achievement of policy objectives and targets, scope (i.e. upstream and/or downstream value chain, geographies, affected stakeholder groups, etc.), time horizon and, where available, status and quantitative and qualitative information regarding the progress (KPIs).

## A. Security

Actions to mitigate risk

The UniCredit Group's Operational Risk Management framework, that is followed by UCB CZSK actions provides a comprehensive set of principles and rules on how to achieve the Non-Financial Risk management goals - Identification, Assessment, Response, Monitoring and Reporting and provides general rules to:

- a) identify and assess the Non-Financial Risks related to any material product, activity, process and system;
- b) implement a process to regularly monitor Non-Financial Risks and material exposures to losses;
- c) implement strategies, policies, processes and procedures to control and/or mitigate material Non-Financial risks.

UniCredit Group "ICT and Cyber Risk Management Framework" (i.e. the Digital Risk framework) has been established and ruled since 2022, providing guidelines to assess the digital risks within the UniCredit Group and followed by UCB CZSK, based on an effective Second Level Control Framework to enable proper protection of digital assets coherently with the UniCredit Group Operational Risk Management framework and with relevant best practices.

Actions aimed at managing impacts

Group Security is progressing in line with the Group Security Strategy updated in September 2023 and based on the following Key Actions:

- Foster Security Culture
- Enable secure Business Transformation
- Continue to secure Digital Foundation

### A.1) Key action: Foster Security Culture

Description: UniCredit Group and also UCB CZSK Security continues the development of security proficiency, considering that security threats, increasing in frequency, scale and sophistication, require increasingly strong skills and specific expertise.

As part of the UniCredit Group University Security initiative followed by UCB CZSK, we continue to invest in training to maintain a solid knowledge base on security topics and give our employees the tools to recognise and counter security risks. Also, increasing the security awareness of employees is key to supporting the minimisation of related risks.

In such context, a series of awareness initiatives have been deployed such as internal phishing campaign. These aim to assess our employees' susceptibility to phishing attacks and create a proactive and security-conscious culture. In 2024, we carried out eight UniCredit Group-wide exercises

involving around 98% of the UniCredit Group population and at least two local exercises in every geography we are present in and thus covering also UCB CZSK.

UniCredit Group and also UCB CZSK also focus on increasing our customers' risk awareness, engaging and inspiring them through social media and our range of communication channels. During the year, we raised awareness among customers, stakeholders and colleagues by developing internal and external initiatives that coincided with various relevant events. UniCredit Group developed initiatives of which the UCB CZSK is an integral part to reflect World Password Day (May) and then, to an even greater extent, during European Cybersecurity Month (October). To support the latter event, UniCredit Group launched annual campaign on several security threats. UniCredit Group carried out a series of internal communication activities for the benefit of Group colleagues in collaboration with UniCredit Digital University. Communications and activities are organized in UCB CZSK.

Materiality Clusters impacted: Cyber Security, by contributing to the protection of corporate assets through increased awareness on security topics.

Scope: Group-wide incl. UCB CZSK

Time horizon: Continuous. Awareness activities are deployed to support a continuous-improvement approach and to respond to the ever-changing threat landscape.

#### A.2) Key action: Enable secure Business Transformation

Description: The enablement of secure Business Transformation has progressed through the ongoing extension of Secure Internet Access. A cloud proxy solution has been adopted on major legal entities and is being extended to Central and Eastern Europe Legal Entities, incl. UCB CZSK. The solution allows for management of all user web traffic in a more scalable and sustainable way. It overcomes on-premises proxy architecture challenges due to the Company's cloud adoption and remote work strategies, which are increasing the number of concurrent connections and quantity of data that are being processed by the proxies.

Materiality Clusters impacted:

- UX, thanks to the improved end-user experience.
- Digitalisation and new technologies, through the adoption of a cloud solution able to support scalability.
- Cyber Security, through the security capabilities offered by the solution.
- Single Sign-on and Authentication: continuing the integration of further applications in Single Sign-on, thus enhancing and harmonising the authentication processes for all Legal Entities of the Group.

Scope: Group-wide incl. UCB CZSK

Time horizon: 2024 and early 2025. The initiatives mentioned are planned to be completed in the next few months.

Status: Secure Internet Access: completed adoption (100%) for Trader and VDI users on centrally managed LEs; ongoing extension for Bank Users, Traders for CE&EE

Single Sign-on and Authentication: 75% applications integrated in SSO (scope extended versus 2023).

#### A.3) Key action: Securing the Digital Foundation

Description: After extending the scope of information processed by our Security Operation Centre, further improvements have been implemented for our Detection and Response capabilities through the release of additional alerts and playbooks.

Materiality Clusters impacted: Cyber Security, through the aforementioned enhanced capabilities

Scope: Group-wide incl. UCB CZSK

Time horizon: 2024: the initiative was completed in 2024. Nevertheless, further detection and response-related initiatives are envisaged for the near future.

Status: Detection and Response improvement: Completed with 100% alerts released in production and 100% playbooks implemented.

### B. Data and Artificial Intelligence (AI)

In 2024, AI integration has enhanced our business processes and indirectly benefiting consumers, while in others, AI has delivered direct, tangible advantages to clients. The ongoing development of the AI governance framework aims to establish responsible AI principles and measures to ensure ethical AI usage. This framework is expected to be fully implemented by the end of 2025 within UniCredit Group.

#### B.1) Key action: RESPONSIBLE AI GOVERNANCE FRAMEWORK

Description: The EU has established the first-ever comprehensive legal framework on AI (AI Act), which sets the global standards for human-centric and trustworthy AI. The AI Act introduces a uniform framework for AI Systems across all EU countries, based on a forward-looking definition of AI and a risk-based approach (defining a classification system of the AI practices risk into four main categories: prohibited, high risk, lower and minimal risk).

The EU AI Act imposes a wide range of requirements on the various providers and deployers in the lifecycle of AI systems, including requirements on human oversight, data training and governance, technical documentation and transparency, record keeping, technical fairness/bias detection and robustness, transparency and cybersecurity.

UniCredit Group and subsequently UCB CZSK needs to adapt to it, since compliance with the AI Act is mandatory for all businesses and organisations that develop, deploy, or use AI systems. One of the key priorities for UniCredit Group in 2024 is to identify and mitigate the ICT AI prohibited systems (the ones that pose a clear threat to the fundamental rights and values) and to put the basis for implementing a global responsible AI framework to regulate the lifecycle of AI systems, from design to deployment and monitoring, in line with the AI ACT requirements.

Scope: The AI ACT: AI Governance Framework Design & Implementation initiative is designed to create a structured approach to managing AI within our organisation.

The Responsible AI Governance Programme will be built on the responsible AI principles (structured around five key pillars and designed to achieve specific goals, from establishing a clear governance framework to enhancing AI literacy across the organisation.)

- Governance Model, Processes, and First Level Controls: is focused on creating a governance model with clear processes and 1st effective controls, so we will include here the publication of the global policy, all the process (new or already in place which must be updated/created, the AI classification and mapping).
- Risk Assessment, Second and Third Level Controls and Conformity Checks: This pillar is about implementing the risk assessment processes and layered control mechanisms, like second and third level controls. Third-party and Outsourcing Contracts Management: Managing third-party and outsourcing contracts is crucial to minimise exposure to external risk. We are focusing on additional new requirements for third parties, contracts updates.
- IT Tools and enablers: all the tools and enablers needed to streamline operations and enhance compliance (AI governance platform, project portfolio management)
- AI Literacy: focus on increasing the awareness and cross-fertilisation of the AI topics.

Time horizon: 2024-2027. In 2024, the focus has been on prohibited AI to ensure compliance with the first regulatory deadline (February 2025). It also requires a hybrid approach, applying tactical solutions. We also laid down the foundations for the target AI responsible framework.

### C. Digital Culture: Digital University activity

The UniCredit Group Digital University is a platform to enhance our in-house digital capabilities. Platform is available in all Legal Entities incl. UCB CZSK.

It offers differentiated learning opportunities, in three major streams: upskilling, knowledge sharing and reskilling.

#### C.1) Key action: Upskilling Activities

Description: Learning opportunities designed for people working in the UniCredit Group Digital Information Office perimeter. The paths were designed to answer the needs of each job role and improve its related skills. Special attention is dedicated to the enhancement of technical competencies and the development of soft skills.

In 2024, all Legal Entities within the UniCredit Group incl. UCB CZSK leveraged hugely on e-learning platforms – i.e self-mode learning, allowing a larger portion of colleagues to benefit from the training. These platforms offer a high degree of flexibility, allowing access to training materials per each user's needs and covering both technical and behavioural needs.

The e-learning platforms used are Coursera and O'Reilly, and our Group platform PLUS. Paths designed with experts (SMEs /line managers) to focus on topics useful for improving the daily working experience.

In addition, classrooms (virtual and/or in presence) led by internal and/or external teachers are organized to address specific learning needs and requests.

In 2024, the University also supported the organisation of six bootcamps (Python Bootcamps; Green IT Bootcamps and AI Bootcamps). These were very successful peer-peer events focusing on specific topics, where a restricted number of participants were invited to very interactive learning sessions.

Scope: Digital Perimeter (GDIO) and activities and content open to the whole Group incl. UCB CZSK

Benefits: The main benefits expected from the initiative are the following:

Increase and improve colleagues' core competencies to facilitate the UniCredit digital transformation process and support the internalisation of skills.

Time horizon: 2024. The e-learning platform model is to be replicated in 2025.

#### C.2) Key action: Knowledge-sharing

Description: Within the framework of the UniCredit Group Digital University is offered a variety of learning products to reach everyone across the Group, using different channels and tools to meet different needs and ambitions.

The range of formats used for sharing digital knowledge spans from our most popular product, the Digital Pitch (live web-streaming presentations by external or internal experts on cutting-edge technologies), to Tune-up (team calls by SMEs, dealing with highly technical topics, with an extended Q&A session), which is new for 2024.

There is also a two-day event, Digital Days held remotely and in person across the UniCredit Group Legal Entities and well-known guests are participating. All content is published on the Digital Knowledge Hub, allowing all Group colleagues to easily find it whenever needed. Thanks to our partnership with SDA Bocconi's DevoLab, this platform also presents academic research on forefront digital technologies.

Scope: Digital Perimeter (GDIO) and activities and content open to the whole Group incl. UCB CZSK

Benefits: The main benefits expected from the initiative are the following:

Updating and developing digital literacy across the Group

Time horizon: 2024, also planned for 2025.

### C.3) Key Action: Reskilling Activities

Description: Reskilling activities have been organised for internal staff to support professional role changes. The aim is to target positions currently covered by external staff, thus reducing costs.

Scope: Digital Perimeter (GDIO) and content open to the whole Group incl. UCB CZSK

Benefits: The main benefits expected from the initiative are the following:

To reduce reliance on external personnel

To allow the acquisition of core competencies in the context of digital transformation.

Time Horizon: 2024

Effectiveness of actions and initiatives is measured only at UniCredit Group level by following formula: Upskilled/Reskilled People (%) = total count of people that have started at least one training / actual head count of the global digital population at the beginning of the year.

## Metrics and targets

### S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Security incidents and other cyber security KPIs have been set for internal monitoring purposes. They do not represent official targets to be achieved within the ESG and Digital strategy.

#### The Principles for Responsible Banking (PRB) Commitment on Financial Health and Inclusion

UniCredit SpA is a signatory bank of the PRB Commitment on Financial Health and Inclusion, UniCredit Group has also set new targets for 2025 related to the group of clients we have identified as the most relevant strategic target, namely young people (meaning people aged 17 to 30).

In the first data collection of actual data for the selected indicators in 2023, UniCredit Group reviewed in detail figures and processes, also implementing specific tools and reports to collect and consolidate them. To align figures and ensure consistency across all the countries, some adjustment was required, thus resulting in a change of the official targets previously communicated. New targets are more challenging for both indicators, estimating a greater growth compared to the baseline.

SMART targets set on UniCredit Group level:

- CS028 indicator: Percentage of young customers with two or more active financial products from different categories; 12.6% (2024); 13.0% (2025)
- CS036 indicator: Percentage of new customers that are young people per month; 37.0% (2024); 37.7% (2025)

UCB CZSK is not setting any local targets but is following the targets by UniCredit Group.

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# Governance information



# ESRS G1 - Business conduct

## Impact risk and opportunity management

### G1-1 - Business conduct policies and corporate culture

UniCredit Group's and also UCB CZSK corporate culture is built upon policies on business conduct which address material impacts, risks and opportunities resulted from the DMA process:

Impact:

- Contribution to the creation of an environment of fair competition, encouraging businesses to compete based on innovation and efficiency rather than aggressive tax practices and reducing national tax evasion.
- Maximum generation of value and its distribution to shareholders/stakeholders.
- Awareness and dissemination of the culture of ethics, by management, employees, business partners and other stakeholders in own operations.
- Ensure solid relationships with its suppliers and respect of agreed terms.
- Prevent the possible events of corruption and/or bribery through the training activities involving employees, top management and other relevant stakeholder.

Risk:

Operational Risk: The risk of money laundering, sanctions violations, bribery and corruption, and KYC failure.

Opportunities:

- Improvement in the quality of products and services purchased through a more sustainable supply chain and certified products (incorporating minimum environmental criteria).
- Enhancement of reputation through investing in the development of innovative tools to manage, monitor and prevent corruption and bribery.

At the core of UniCredit Group's and also UCB CZSK corporate culture lies its Human Rights Commitment and its Code of Conduct which serve as the foundation for all its actions and decisions. These documents are not merely formalities, they embody UniCredit Group and also UCB CZSK's commitment to integrity, transparency and respect in every aspect of its operations, including a zero-tolerance approach with respect to fraud, bribery, and corruption. UniCredit Group and also UCB CZSK believes that adhering to these principles is essential for fostering trust among stakeholders and ensuring long-term sustainability. By promoting ethical behaviour and setting clear standards, UniCredit Group and also UCB CZSK aims to create a workplace environment where responsibility and collaboration thrive, aspiring to the maximum generation of value and driving individual and collective success.

UniCredit Group and also UCB CZSK's Zero-tolerance approach is also formalized through ad-hoc policies: the Anti-Fraud Policy, and the Anti-Bribery and Anti-Corruption Policy, which illustrate the Groups principles and procedures willing to mitigate any risks of money laundering, sanctions violations, bribery and corruption, and KYC failure. UniCredit Group and also UCB CZSK is investing in the development of tools to manage, monitor and prevent fraud, corruption and bribery, as described below.

#### Corporate Culture

Our culture is a crucial lever in driving the success of our UniCredit Unlock strategic plan. At the core of our corporate culture lies our Code of Ethics and our Code of Conduct applicable for UCB CZSK which serve as the foundation for all our actions and decisions. These documents are not merely formalities, they embody our commitment to integrity, transparency, and respect in every aspect of our operations. We believe that adhering to these principles is essential for fostering trust among stakeholders and ensuring long-term sustainability. By promoting ethical behavior and setting clear standards, we aim to create a workplace environment where responsibility and collaboration thrive, driving individual and collective success.

To understand our current culture, we conducted a survey, as well as interviews and focus groups. Our objective is to shape collective behavior by emphasizing the values chosen by our employees: integrity, ownership and caring.

To date, following foundational pillars for the Culture Transformation program have been at the level of the entire UniCredit Group and UCB CZSK which was one of entities included in:

#### 1. The Culture Network in all our legal entities and competence lines, led by culture sponsors and champions.

UniCredit Group created the Culture Network in June 2022 to ensure that culture initiatives were actively implemented. Thirteen countries and 11 group functions are represented by a culture sponsor (24 people), paired with a culture champion (28 people) who drive our culture transformation by



defining and implementing the local initiatives. They extend their reach by involving colleagues locally through various initiatives to support their efforts, ensuring ongoing progress and positive change within our organization.

## **2. Cultural learnings to create alignment around our values, and to implement effective solutions to integrate them into all aspects of our professional lives.**

Since October 2022, over 50 workshops and training in various countries were organized throughout the whole UniCredit Group and group functions, reaching over 4,000 colleagues. Culture workshops are ongoing and are part of staff training.

## **3. Annual culture day and culture roadshows**

A UniCredit group culture day was organized to celebrate our culture across all our regions. Culture day took place in June this year and was a group event in Munich that was live-streamed and viewed by 15,000 colleagues. There were also culture treasure hunts, engaging more than 4,500 colleagues.

UniCredit Group culture roadshow started at the end of 2022, and, as of today, 12 UniCredit Group banks have been visited (plus one bank virtually), with over 10,000 colleagues joining. In addition, the events featured 15 business clients as guest speakers and 19 external experts from various fields, bringing diverse perspectives to the discussions. One roadshow was held also in UCB CZSK, particularly in Bratislava, Slovakia. There were over 200 participants.

## **4. Culture “jour fixe”**

UniCredit Group “culture jour fixe” is a regular team gathering to exchange ideas about culture both internally and externally. We introduced this format in 2023 and have sincerely applied it as a group-wide initiative, with 23,000 colleagues from 3,000 branches across 13 countries, taking part. In 2025, a revised model will be implemented in the sales and central units, encompassing all divisions and organizational levels, reinforcing our commitment to fostering a dialogue around culture.

UniCredit Group and also UCB CZSK culture is evolving, through daily interactions and by incorporating our values in essential moments of the employee lifecycle. UniCredit Group CEO as well as UCB CZSK management are vital to this effort. They actively participate in regular touchpoints, such as the UniCredit Group CEO annual Culture Progress meeting. The Group Management is regularly informed on progress and invited to key events. Local Culture sponsors, champions and network suggest and implement culture transformation initiatives relevant locally.

## **Information on Tax Management**

UniCredit Group's approach to taxation is described in the Global Policies adopted internally and made available to employees.

Chief among them is the UniCredit Group Tax Strategy Policy, which defines the guidelines and principles of UniCredit Group for the management of tax matters and associated risks (both financial and reputational), with the aim of avoiding and mitigating tax risk as much as possible, contributing to the creation of a fair competition environment. Locally implemented through local policy Řízení daňové agendy v Bance.

UniCredit Group is guided by the following principles in relation to the tax management of its business activities:

- foster a Culture of tax compliance and awareness of relevant tax laws and of the tax risk management throughout the UniCredit Group, also including organisational units not directly working within the tax departments of the UniCredit Group;
- compliance with form and substance of all relevant tax laws, regulations and practices applicable in every jurisdiction where the UniCredit Group carries out its business;
- establishment of relations of mutual trust, co-operation and transparency with tax authorities in the various jurisdictions where the UniCredit Group operates, including through participation in projects of co-operative compliance;
- prohibition from using aggressive tax planning and from using tax avoidance schemes grounded on the so-called Base Erosion and Profits Shifting (provided for by OECD) as well as on all regulations aimed at countering such phenomena (e.g. regulations pertaining to so-called hybrid entities or structures and, more generally, all the regulations aimed at implementing EU Directives);
- application of a tax strategy that is consistent with the general rules of the Group in its approach to risk and the Values on which it is based;
- use of professional risk management standards for all risks associated with tax and ensuring that the procedures applied each time to that end are appropriate.

## Mechanisms for identifying, reporting and investigating concerns about unlawful behaviour

Whistleblowing is set out in a specific local internal policy in line with the Global policy and local legislation in Czechia and Slovakia. To promote a corporate culture based on ethical behavior and good corporate governance, the policy governs reports of unacceptable conduct by employees within the Group.

The policy is intended to:

- grant a corporate environment where employees feel free to report any unacceptable conduct,
- define adequate communication channels for the receipt, analysis, and use of the reports.

Management of this process is designed to ensure the greatest possible protection and confidentiality of the identity of the whistleblower and of the accused individual and to prevent any possible retaliatory or discriminatory behavior in response to the report. At the local level, UCB CZSK has identified a reference person in Compliance as the person responsible for internal whistleblowing systems and for ensuring that the procedure is followed correctly. UniCredit Group and UCB CZSK provides the following channels (some of which are available 24 hours a day) for employees and third parties to make whistleblowing reports, anonymously if desired:

- on the website, where the UniCredit SpeakUp web service allows a written report to be submitted, with the option of remaining anonymous,
- by phone – the UniCredit SpeakUp line allows a voice message report to be left, with the option of remaining anonymous,
- by email to the UniCredit Whistleblowing email address,
- by letter to the dedicated UniCredit whistleblowing postal address,
- by physical meeting.

To protect the Whistleblower against possible acts of retaliation UCB CZSK has stringent safeguards and confidentiality measures in place, including rules on data protection, personal data processing, and security protocols. Any misuse of whistleblowing information or breach of confidentiality is met with severe consequences, as it compromises our standards and undermines trust. Our data protection protocols ensure that information received during whistleblowing is processed lawfully, for a defined purpose, and accessed only by authorized personnel on a 'need to know' basis. We ensure compliance with privacy rules both internally and externally. UniCredit Group and UCB CZSK ensures protection for whistleblowers against retaliation or discrimination. We prohibit any form of reprisal against those who report misconduct in good faith. We have established clear rules, procedures, and escalation processes to support and safeguard Whistleblowers and their associates.

The Group undertakes to provide all employees with mandatory, up-to-date training on whistleblowing, outlining the relevant procedures to follow and potential consequences should misconduct occur and is committed to promoting the regular global communication, implementation, and enforcement of this rule across the Group worldwide and including third parties. Information about internal channels, process description and external channels provided by the National Competent Authority (i.e. Ministry of Justice in case of Czechia) are available for third parties on the Group Institutional website and on the UniCredit commercial website and employees also in the section dedicated to whistleblowing on the Group's intranet. An UniCredit Group Annual Report on Whistleblowing process is submitted to the UniCredit Group Board of Directors.

## Training on business conduct

Training and education are key elements in strengthening business conduct awareness and preventing possible events of corruption or bribery. The Compliance function, in cooperation with People & Culture ("P&C"), is responsible for developing training on non-compliance risks. A target approach is applied to training courses (including mandatory ones) which are available through a common Group platform, to all employees at Group level. Training courses are assigned to the Group employees in accordance with their role and responsibilities (including new entries) and are planned to be finalised within a set period of time (usually 60 days from the start date).

Each course is periodically updated according with new/updated regulatory requirements, internal rules as well as business needs.

In 2024, 5 Compliance mandatory trainings have been developed to reinforce Business Conduct capability addressed to all UniCredit Group employees (Unfair Commercial Practices, Whistleblowing, Anti-Corruption, Financial Sanction classroom and online).

Corruption and bribery: functions most at risk

UniCredit Group defined the areas which are most at risk in respect of corruption/bribery as defined in the internal regulation as follows:

- Dealing with Public Officials;
- Gifts and Business hospitality;
- Engagement of Third Parties and donations/sponsorships/memberships;
- HR activities;
- Merger and Acquisitions activities.

## G1-2 - Management of relationships with suppliers

### Policy to prevent late payments, specifically to SMEs

The Group's internal policy Management of Non-HR investments and costs in line with the UniCredit Group Global Policy Expenditure Regulation has the purpose to define principles and minimum requirements necessary to manage expenditures and investments, from invoice to pay, covering the risk of execution, delivery and process management of the expenditure process. The Budget Owner, or a delegate of the Budget Owner, must get all the information necessary to verify the compliance of the invoice in relation to the goods delivered and/or the service provided. The Budget Owner, or a delegate thereof, gives the approval to the registration of the invoice; then approves the bank transfer. It should be noted that the standard terms establish that payments are made within 30 days from the date in which the invoice is issued, which is the standard payment terms, unless otherwise provided in the contract. Current Group policy does not foresee a differentiated treatment on the basis of the legal status or size of the supplier.

### Approach in regard to relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters

Suppliers are required to respect national and international laws and comply with the standards of the International Labour Organization and the UniCredit Group's Environmental Policy. In UniCredit Group and also in UCB CZSK, 100% of centrally selected new suppliers are screened using socio-environmental criteria. Suppliers must meet certain minimum sustainability requirements and are selected in compliance with the standards of various conventions of the International Labour Organization relating to fundamental human rights including child labor, freedom of association, working conditions, health, and safety. Suppliers must also comply with the standards of UniCredit Group's Environmental Policy. On the supplier level, the criteria are integrated into an overall supplier evaluation process. In addition, our Group aims to increase awareness among suppliers/service providers of social, environmental, and labor law issues.

### Social and environmental criteria are taken into account for selection of supply-side contractual partners

The Group has in place a supplier qualification process that aims to screen suppliers based on compliance, sustainability, and economic-financial aspects. The qualification is delivered for centralized purchases related to "in scope" categories (those managed centrally by Procurement) and amounts of over 10 000 EUR. Suppliers who successfully complete the qualification process are enrolled in the Suppliers UniCredit Group Register and can be used in the purchasing processes.

In the framework of the screening, suppliers are requested to:

- Confirm that they meet the applicable legislation and comply in all their locations with the standards of the International Labor Organization.
- Confirm that the management of the company is not prosecuted for alleged corruption or Tax fraud crimes.
- Declare that they are not involved in any legal procedures for violation of environmental or labor laws.
- Commit to respecting the ten fundamental principles of the United Nations Global Compact.
- Confirm that they have an Environmental Policy which is coherent with the fundamental principles of the Environmental Policy of UniCredit Group, or they are in any case committed to respecting.

## G1-3 - Prevention and detection of corruption and bribery

UniCredit Group and also UCB CZSK adopts a zero-tolerance policy towards acts of corruption. UCB CZSK approach to fighting corruption is set out in the dedicated internal rules which implements UniCredit Group Anti-Bribery and Anti-Corruption ("ABC") Policy, published in UniCredit Group website, and associated Group Operational Rule. UCB CZSK anti-bribery and anti-corruption standards are published in UCB CZSK website. Group Policy and Operational Rule are reviewed periodically.

The anti-bribery and anti-corruption programs include the following measures to prevent, identify, report, address and investigate concerns of possible cases of corruption and/or bribery:

- Implementation of detailed internal regulations regarding the risk areas dealing with Public Officials, gifts & business hospitality, engagement of Third Parties, HR practices, donations/sponsorships/memberships, and M&A activities.
- Regarding gifts and business hospitality inter alia implementation of a tool in which gifts and business hospitality above defined thresholds must be documented and approved by at least the line manager so that these benefits are double-checked.
- Regarding the engagement of Third Parties and the provision of donations/sponsorships/membership fees implementation of a tool which supports a due diligence of Third Parties and beneficiaries of donations/sponsorships/memberships. This tool allowed us to create an exclusive anti-corruption register of external suppliers used by the Group and to automate due diligence aimed at combating corruption within the decentralized process;
- Independent second level controls
- Risk assessment. On regular bases results of Compliance risk assessment and of Internal Audit reviews on anti-bribery and corruption area are reported to the Internal Controls Committees.
- Mandatory (web-based) trainings and voluntary classroom trainings

- Appointment of a Local Anti-Corruption Officer and set up of a team which inter alia provides advisory regarding anti-corruption matters, implements policies, reviews individual cases and (depending on the scope and size of the case) is involved in investigations regarding possible cases of corruption. The team is part of the independent Compliance department so that possible cases are investigated and evaluated promptly, objectively, and independently of the chain of management involved in the matters.
- Regular and (if necessary) ad hoc Compliance reporting
- Potential acts of corruption can also be reported in accordance with the Global Policy on Whistleblowing.

UCB CZSK in line with UniCredit Group publishes its anti-bribery and anti-corruption regulations via its internal regulation platform which provides a subscription function for the employees.

The basis is web training which covers the ABC risk areas, and which has to be conducted by all employees. In addition, UniCredit Group and UCB CZSK offers classroom workshops on selected topics, holds dedicated information sessions for selected units and/or directly contacts centrally concerned employees to provide more detailed information.

All new supervisory and executive board members and new members of the top management receive an inductions training which covers also ABC.

## Metrics and targets

### G1-4 - Confirmed incidents of corruption or bribery

The UniCredit Group and also UCB CZSK has zero tolerance for acts of corruption and prohibits them in any form, whether direct or indirect. No specific targets are defined.

The Internal Control System guarantees monitoring the effectiveness of the policies and actions related to ABC matters.

#### Confirmed incidents of corruption or bribery

No incidents relating to acts of corruption or bribery within the Group, including incidents involving actors in its value chain where the Group or its employees were directly involved, were reported during 2024. Consequently, no fines for violation of anti-corruption and anti-bribery laws have been accounted for.

### G1-6 - Payment practices

In the absence of specific guidelines on invoices categories to be considered, given the fact that the requirement explicitly refers to suppliers, the Group has decided to take into consideration only invoices accounted for in line items Other administrative expenses and Other operating expenses.

Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated ranges from 6 to 9 days for all categories of suppliers within the analyzed expenses (ICT services, Marketing expenses, Consulting and professionals services, Administrative and logistic services and Other). For such category of suppliers, standard payment terms for such services are within 30 days.



# Auditor's report on the Sustainability Report



**KPMG Česká republika Audit, s.r.o.**

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186 00 Praha 8  
Česká republika  
+420 222 123 111  
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*This document is an unsigned English translation of the Czech independent auditor's limited assurance report that we issued on 25 March 2025. Only the Czech version of the report is legally binding.*

## Independent Auditor's Limited Assurance Report

### on UniCredit Bank Czech Republic and Slovakia, a.s. Consolidated Sustainability Statement

To the shareholders of UniCredit Bank Czech Republic and Slovakia, a.s..

#### *Limited Assurance Conclusion*

We have performed a limited assurance engagement on whether the Consolidated Sustainability Statement of UniCredit Bank Czech Republic and Slovakia, a.s. ("the Bank") and its subsidiaries (collectively, "the Group") included in the *Sustainability Statement* section of the Annual Financial Report, including the information incorporated in the Consolidated Sustainability Statement by reference, as disclosed in the *Annex to Sustainability Statement* section as of and for the year ended 31 December 2024 ("the Consolidated Sustainability Statement"), has been prepared in accordance with § 32k of the Czech Accounting Act implementing Article 29(a) of the EU Directive 2013/34/EU ("§ 32k of the Czech Accounting Act").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's Consolidated Sustainability Statement as of and for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with § 32k of the Czech Accounting Act, including

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Statement ("the Process") is in accordance with the description set out in note *ESRS 2 IRO-1*; and
- Compliance of the disclosures in the *Mandatory Disclosures According to EU Taxonomy Regulation* subsection within the environmental section of the Consolidated Sustainability Statement with the reporting requirements of Article 8 of Regulation (EU) 2020/852 ("the Taxonomy Regulation").

Our conclusion on the Consolidated Sustainability Statement does not extend to any other information that accompanies or contains the Consolidated Sustainability Statement and our limited assurance report thereon, nor to any information within the Consolidated Sustainability Statement not in scope of our assurance engagement.

KPMG Česká republika Audit, s.r.o., a Czech limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Recorded in the Commercial Register kept by the Municipal Court in Prague, Section C, Insert No. 24185

Identification No. 49619187  
VAT No. CZ699001996  
ID data box: 8h3gtra



We have not performed any assurance procedures as part of this engagement with respect to such information. However, we audited the consolidated and separate financial statements of, respectively, the Group and the Bank, forming part of the other information and our auditor's report thereon are also included with the other information.

#### **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*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the 'Our responsibilities' section of our report.

We have complied with the independence and other ethical requirements of the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic ("the Code"). The Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard 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 believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### **Other matter – Comparative information**

Our assurance engagement does not extend to comparative information in respect of earlier periods. Our conclusion is not modified in respect of this matter.

#### **Responsibilities of the Bank's Statutory Body, Supervisory Board and Audit Committee for the Consolidated Sustainability Statement**

The Statutory body of the Bank is responsible for designing, implementing and maintaining a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this process in note *ESRS 2 IRO-1* 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;
- Identifying 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;
- Assessing the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- Developing methodologies and making assumptions that are reasonable in the circumstances.





The Statutory body of the Bank is further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with § 32k of the Czech Accounting Act, including:

- Compliance with the ESRS;
- Preparing the disclosures in the *Mandatory Disclosures According to EU Taxonomy Regulation* subsection within the environmental section of the Consolidated Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- Designing, implementing and maintaining such internal controls that statutory body determines are necessary to enable the preparation of the Consolidated Sustainability Statement such that it is free from material misstatement, whether due to fraud or error; and
- Selecting and applying appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

The Supervisory Board is responsible for overseeing the Group's reporting process. The Audit Committee is responsible for monitoring the Group's reporting process for the Consolidated Sustainability Statement.

#### ***Inherent limitations in preparing the Consolidated Sustainability Statement***

The criteria, nature of the Consolidated Sustainability Statement, and absence of long-standing established authoritative guidance, standard applications and reporting practices allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organizations and from year to year within an organization as methodologies evolve.

In reporting forward-looking information in accordance with the ESRS, the Statutory body 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. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Statement, the Statutory body interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

#### ***Our responsibilities***

Our objectives are 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 reporting our limited assurance 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.

Our responsibilities in relation to the Process for reporting the Consolidated Sustainability Statement, 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; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note *ESRS 2 IRO-1*.



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

- Obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures focused on disclosures in the Consolidated Sustainability Statement where material misstatements are likely to arise. 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 we performed as the basis for our conclusion*

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement. We designed and performed our procedures to obtain evidence about the Consolidated Sustainability Statement that is sufficient and appropriate to provide a basis for our conclusion. The nature, timing and extent of our procedures depended on our understanding of the Consolidated Sustainability Statement and other engagement circumstances, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Statement. We exercised professional judgment and maintained professional skepticism throughout the engagement.

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

- Obtaining an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by the Statutory body (including stakeholder engagement, business plans and strategy documents); and
  - inspecting the Group's internal documentation of its Process; and
- Evaluating whether the evidence obtained from our procedures about the Process was consistent with the description of the Process set out in note *ESRS 2 IRO-1*.

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

- Obtaining an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by performing inquiries of the relevant Group personnel and inspecting its internal documentation;
- Evaluating whether material information identified by the Process is included in the Consolidated Sustainability Statement;
- Evaluating whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the ESRS;
- Performing inquiries of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Statement;
- Performing substantive assurance procedures on a sample basis on selected disclosures in the Consolidated Sustainability Statement;
- Obtaining evidence on the methods, assumptions and data for developing material estimates and forward-looking information and on how these methods were applied;
- Obtaining an understanding of the Group's process of calculating the Green Assets Ratio and preparing related disclosures; and



- Other procedures performed with respect to the EU taxonomy disclosures.

The procedures performed 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.

Prague  
25 March 2025

KPMG Česká republika Audit, s.r.o.  
Registration number 71

Jindřich Vašina  
Partner  
Registration number 2059

# Supplementary information

published pursuant to Section 118 of Act No. 256/2004 Coll., on Capital Market Undertakings, as amended in the Czech Republic and to Section 34 of Act No. 429/2002 Coll., on the Stock Exchange, as amended in the Slovak Republic

## 1. Basic data

Business name: UniCredit Bank Czech Republic and Slovakia, a.s.  
Registered office: Želetavská 1525/1, 140 92 Prague 4, Czech Republic  
Company ID No.: 64948242  
Companies Register: recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, File No. 3608  
Tax ID No.: CZ64948242  
Date of incorporation: 1 January 1996, for an indefinite period  
Legal form: joint-stock company  
Internet address: www.unicreditbank.cz  
E-mail: info@unicreditgroup.cz  
Telephone No.: +420 955 911 111  
Fax: +420 221 112 132  
LEI: KR6LSKV3BTSJRD41F75

UniCredit Bank Czech Republic and Slovakia, a.s. ("UniCredit Bank") is a joint-stock company incorporated according to Czech law. UniCredit Bank owns a branch in the Slovak Republic under the name UniCredit Bank Czech Republic and Slovakia, a.s., pobočka zahraničnej banky.

UniCredit Bank fulfils all of its obligations in a due and timely manner. No changes have occurred in the past that could be of material significance in evaluating the issuer's solvency.

In carrying out its activities in the Czech market, UniCredit Bank is governed by Czech legal regulations, in particular the Banking Act, the Civil Code, the Act on Business Corporations and regulations governing operations in the banking and capital markets. In the Slovak market, where UniCredit Bank has operated since 1 December 2013 through its organisational unit, the Bank is also governed by applicable Slovak legal regulations.

## 2. The person responsible for the audit of the financial statements

Person in charge: Jindřich Vašina  
License No.: 2059  
Domicile/Place of business: Pobřežní 648/1a, 186 00 Prague 8  
Auditor: KPMG Česká republika Audit, s.r.o.  
License No.: 071  
Registered office: Pobřežní 648/1a, 186 00 Prague 8

## 3. Information about UniCredit Bank as an Issuer of registered securities

### 3.1. History and development of the Issuer

UniCredit Bank Czech Republic and Slovakia, a.s., (hereinafter also referred to as the "Issuer"), launched its activities in the Czech market

on 5 November 2007. Its name was changed after it merged with the Slovak UniCredit Bank Slovakia, a.s., as at 1 December 2013. UniCredit Bank Czech Republic, a.s., itself was established through the merger of HVB Bank Czech Republic, a.s., and Živnostenská banka, a.s. The assets of the dissolved company Živnostenská banka, a.s., having its registered office in Prague 1, Na Příkopě 858/20, PC 113 80, Company ID No.: 000 01 368, registered in the Companies Register of the Municipal Court in Prague, Section B, File No. 1350.

HVB Bank Czech Republic, a.s., was established by the merger of HypoVereinsbank CZ, a.s., and Bank Austria Creditanstalt Czech Republic, a.s., without liquidation, on 1 October 2001. All rights and obligations of the dissolved company Bank Austria Creditanstalt Czech Republic, a.s., were assumed by HVB Bank Czech Republic a.s. The change of name, amount of issued capital and other facts connected with the merger were recorded on 1 October 2001 in the Companies Register maintained by the Municipal Court in Prague, Section B, File 3608.

Živnostenská banka was established in 1868 as a bank oriented toward financing small and medium-sized Czech enterprises. It was the first bank founded in Austria-Hungary exclusively with Czech capital. In 1945, it was nationalised, as were other banks. From 1950 to 1956, it still existed as a legal entity but its activities were significantly restricted. Some of Živnostenská banka's asset ratios were adjusted by Decree No. 36/1956 Coll., and its legal continuity was subsequently confirmed by Section 27 of Act No. 158/1989 Coll., on Banks and Savings Banks. On the day of its entry in the Companies Register maintained by the Municipal Court in Prague in Section B, File No. 1350, i.e. on 1 March 1992, Živnostenská banka assumed authorisation to operate as a bank on the basis of Banking Act No. 21/1992 Coll., further to Act No. 92/1991 Coll. and Government Resolution No. 1 from 9 January 1992, by which the privatisation of Živnostenská banka was approved. In February 2003, the bank UniCredito Italiano SpA completed the acquisition of an 85.16% share in the issued capital of Živnostenská banka, a.s., from Bankgesellschaft Berlin AG, and thus the oldest Czech bank became part of the UniCredito Italiano Group.

As part of restructuring in UniCredit Group, the Bank's shareholder changed on 1 October 2016 from UniCredit Bank Austria AG to UniCredit S.p.A., which is the ultimate parent company of the entire Group (hereinafter the "Group") holding 100% of the Bank's shares.

UniCredit Bank Czech Republic and Slovakia, a.s., is a universal commercial bank covering all the financial needs of its clients. We offer our clients the best expertise underpinned by long tradition and leadership in corporate and private banking, as well as an innovative approach to retail banking.

We are the bank of first choice in both our traditional and new strategic segments. We have been one of the leading banks in

the Czech and Slovak markets in terms of client satisfaction for many years and we are also an attractive employer.

We are a part of the international UniCredit Group. As a part of the Group, UniCredit Bank Czech Republic and Slovakia, a.s., stands among the key countries of the Central European region. The Group perceives our Bank to be an example of successful dynamic growth in the corporate client segment and in particular in the segment of individual clients. At the same time, within UniCredit Group we are a bank where heavy investments are made and a bank with substantial potential for further growth.

Our strategy of Unlocking Acceleration means moving clients at the center of everything we do. At the same time, we keep the sustainability of our business in mind in every situation, guided by a simple principle that helps us translate these values into our daily lives: doing the right things!

The bank operates in all regional cities in both countries and has currently has 104 branches and a network of more than 400 ATMs. At the same time, our clients can use a shared network of approximately 1,700 ATMs of partner banks KB, Moneta and Air Bank under the same conditions.

With a market share of 9.3% and a balance sheet size of over CZK 1,008 billion (unconsolidated as at 30 September 2024), our unified Bank is the fourth largest bank in the Czech Republic and the largest in Slovakia.

A list of all branches, corporate centres and franchises is provided at the end of the annual report.

### 3.2. Issued share capital

The Bank's share capital amounts to CZK 8,754,617,898 divided as follows:

- a) 100 registered shares, ISIN CZ0008041068, each with a nominal value of CZK 16,320,000;
- b) 200 registered shares, ISIN CZ0008041050, each with a nominal value of CZK 13,375,000;
- c) 436,500 registered shares, ISIN CZ0008041076, each with a nominal value of CZK 10,000;
- d) 10 registered shares, ISIN CZ0008039088, each with a nominal value of CZK 7,771,600;
- e) 106,563 registered shares, ISIN CZ0008041274, each with a nominal value of CZK 46.

All the aforementioned shares are registered to the shareholder's account maintained by Central Securities Depository Prague (Centrální depozitář cenných papírů, a.s.).

UniCredit Bank's share capital has been fully paid up.

In accordance with the Commercial Code and the Bank's Articles of Association, UniCredit Bank's shares entitle the shareholder to participate in the company's management and to share in its profit as well as in its liquidation balance upon dissolution of the company. UniCredit Bank has issued no shares giving their holders the right to exchange such shares for other shares or the right to priority subscription of other shares. UniCredit Bank does not hold any of its own participating securities nor does any entity in which UniCredit Bank has a direct or indirect ownership interest exceeding 50% of that entity's share capital or voting rights hold any such securities.

The Bank's shares are freely transferable and no consent of any Bank's body is required for the transfer or pledge thereof to be effective.

The sole shareholder of UniCredit Bank is UniCredit S.p.A., having its registered office at Piazza Gae Aulenti 3, Tower A – 20154 Milan, Republic of Italy, Reg. No.: 00348170101

In accordance with UniCredit Bank's Articles of Association, the sole shareholder may only influence the Bank's activities using the weight of its votes. The company uses standard statutory mechanisms to prevent the shareholder's potential misuse of its position. UniCredit Bank is not party to a controlling contract or a contract for transfer of profit. The nature of the control by the controlling entity, which is UniCredit S.p.A., results from the directly owned portion of the Issuer's shares. To prevent misuse of the control and controlling influence of the controlling entity, UniCredit Bank uses the statutory instrument of the report on relations between the controlling and controlled entities and the Report on Relations between the controlled entity and other entities controlled by the same controlling entity (Report on Relations between the related entities). No agreements that could lead to a change of control over the Issuer are known.

### 3.3. Method of publication of the Annual Report

- <https://www.unicreditbank.cz/cs/o-bance/vysledky/vyrocnizpravy.html>
- <https://www.unicreditbank.sk/sk/o-banke/investori/vyrocniespravy.html>
- Notice of publication in the Hospodářské noviny daily published in the Slovak Republic

### 3.4. Proposal for profit distribution

The Board of Directors will propose a distribution of the Issuer's profit for the financial year 2024 to be paid to the sole shareholder.

### 3.5. Additional information

Members of the Board of Directors are elected in accordance with the Bank's Articles of Association and dismissed by the Supervisory Board. There are no specific rules for amending the Articles of Association at UniCredit Bank.

Currently, there are no special competences of the statutory body within the meaning of Section 118, par. 5h) of Act No. 256/2004 Coll., on Capital Market Business, as amended.

UniCredit Bank does not have contracts with members of its Board of Directors or employees that would oblige the Bank to perform in the event of termination of their office or employment in connection with the bid.

UniCredit Bank does not have any programmes under which employees and members of the Bank's Board of Directors are allowed to acquire the Bank's participating securities, options on these securities or other rights to them on preferential terms.

UniCredit Bank has not entered into any material agreements that will become effective, or terminate in the event of a change of control of UniCredit Bank as a result of the takeover bid.

## 4. Summary of business activities

### 4.1. Scope of business activities:

The company's business activities include banking transactions and provision of financial services fully in accordance with Act No. 21/1992 Coll., on Banks, as amended, and pursuant to Act No. 219/1995 Coll., the Foreign Exchange Act, as amended, i. e.

- a) receiving deposits from the public;
- b) granting loans;
- c) investing in securities on its own account;
- d) finance lease;
- e) operating a system of payments and clearing;
- f) issuing and administering payment products;
- g) granting guarantees;
- h) opening letters of credit;
- i) administering cash collection;
- j) providing investment services;
- main investment service pursuant to Section 8, par. 2a) of Act No. 591/1992 Coll., on Securities, as amended (hereinafter “the Securities Act”), receipt of and conveying instructions related to investment instruments on a customer's account, with respect to investment instruments pursuant to Section 8a, par. 1a)–1g) of the Securities Act,
- main investment service pursuant to Section 8, par. 2b) of the Securities Act, executing instructions related to investment instruments on the account of another party, with respect to investment instruments pursuant to Section 8a, par. 1a) and 1g) of the Securities Act,
- main investment service pursuant to Section 8, par. 2c) of the Securities Act, trading in investment instruments on a trader's own account, with respect to investment instruments pursuant to Section 8a, par. 1a)–1g) of the Securities Act,

- main investment service pursuant to Section 8, par. 2d) of the Securities Act, management of individual portfolios at its own discretion within the terms of a contractual covenant with the client, if investment instruments form a part of such portfolio and with respect to investment instruments pursuant to Section 8a, par. 1a)–1g) of the Securities Act,
- main investment service pursuant to Section 8, par. 2e) of the Securities Act, underwriting or placing issues of investment instruments, with respect to investment instruments pursuant to Section 8a, par. 1a) – 1b) of the Securities Act,
- supplementary investment service pursuant to Section 8, par. 3a) of the Securities Act, custody and management of one or more investment instruments, with respect to investment instruments pursuant to Section 8a, par. 1a)–1c) of the Securities Act,
- supplementary investment service pursuant to Section 8, par. 3c) of the Securities Act, provision of credits or loans to a customer for the purpose of executing a transaction with investment instruments, if the provider of the loan or credit is a participant in this transaction, with respect to investment instruments pursuant to Section 8a, par. 1a)–1d) and 1g) of the Securities Act,
- supplementary investment service pursuant to Section 8, par. 3d) of the Securities Act, consulting services related to the capital structure, industry strategy and related issues, and the provision of advice and services related to mergers and acquisitions of companies,
- supplementary investment service pursuant to Section 8, par. 3e) of the Securities Act, services related to underwriting of issues pursuant to Section 8, par. 2e) of the Securities Act, with respect to investment instruments pursuant to Section 8a, par. 1a)–1b) of the Securities Act,
- supplementary investment service pursuant to Section 8, par. 3f) of the Securities Act, consulting services related to investment in investment instruments, with respect to investment instruments pursuant to Section 8a, par. 1a)–1g) of the Securities Act, and
- supplementary investment service pursuant to Section 8, par. 3g) of the Securities Act, executing of foreign currency operations related to the provision of investment services,
- k) issuing mortgage bonds;
- l) financial brokerage;
- m) depository services;
- n) foreign currency exchange services (purchase of foreign currencies);
- o) providing banking information;
- p) trading foreign currencies and gold on its own account or on behalf of clients;
- q) renting safe-deposit boxes; and
- r) other activities directly related to the activities specified above.

### 4.2. Key activities

#### Corporate & Investment Banking

- Corporate and investment banking;
- Credit transactions;



- Financing commercial real estate;
- Project financing and structured financing;
- Trade and export financing;
- Documentary transactions;
- Treasury & custody services;
- Asset management;
- EU funds (consulting and payment);
- Maintaining accounts and deposits;
- Payment systems;
- Electronic banking;
- Direct banking;
- SWIFT services;
- Cash pooling;
- Payment cards;
- Card acquiring;
- European Commodity Clearing;
- Comprehensive management of client assets, including portfolio management;
- Comprehensive factoring services – domestic factoring, export factoring, invoice discounting, reverse factoring, credit cover, sales ledger management;
- Global Investment Strategy – strategic advisory for capital market investments;
- Open architecture of investment products.

#### Retail Banking

- Accounts for individual clients: START account, OPEN account, TOP account, Children's account
- Mortgage loans and consumer credit, including the PRESTO Loan, and overdrafts for individual clients;
- Operating, investment and mortgage loans for corporate clients;
- Payment cards, including insurance (debit, credit and partner cards);
- Deposit, savings and investment products (the Bank's own or in cooperation with partners within the onemarkets Fund platform);
- Insurance products (property insurance, life insurance, car insurance, travel insurance, CPI);
- Internet and mobile banking;
- Cash and money changing operations and supplementary services.

Information on newly introduced products and services can be found in the Corporate and Investment Banking and Retail and Private Banking chapters in the introductory part of this Annual Report.

#### 4.3. Issuer's position in competition

All charts contain unconsolidated data as of 30 September 2024, which were available when this Annual was prepared.

#### (i) Profit after tax

Profit after tax (MCZK)	1 Jan – 30 Sep 2024
Banking sector CZ	90,982
UCB CZ & SK	8,415

Other banks	90.75 %
UCB CZ & SK	9.25 %

Non-consolidated data

#### (ii) Total net assets

Total assets (MCZK)	as at 30 Sep 2024
Banking sector CZ	10,862,570
UCB CZ & SK	1,008,919

Other banks	90.71 %
UCB CZ & SK	9.29 %

Non-consolidated data

#### (iii) Gross receivables from clients in CZ\*

Receivables from clients (MCZK)	as at 30 Sep 2024
Banking sector CZ	4,188,112
UCB CZ & SK	380,332

Other banks	90.92 %
UCB CZ & SK	9.08 %

Non-consolidated data, residents

#### (iv) Gross receivables from clients in SK\*\*\*

Receivables from clients (MCZK)	as at 30 Sep 2024
Banking sector SK	MEUR** 80,249
UCB CZ & SK	MEUR** 5,913

Other banks	92.63 %
UCB CZ & SK	7.37 %

Non-consolidated data, residents

#### (v) Liabilities to clients in CZ\*

Liabilities to clients CZ (MCZK)	as at 30 Sep 2024
Banking sector CZ	7,149,462
UCB CZ & SK	573,285

Other banks	91.98 %
UCB CZ & SK	8.02 %

Non-consolidated data, residents



#### (vi) Liabilities to clients in SK\*\*\*

Liabilities to clients SK (MCZK)		as at 30 Sep 2024
Banking sector SK	MEUR** 75,490	1,900,848
UCB CZ & SK	MEUR** 4,689	118,080

	Other banks	93.79 %
	UCB CZ & SK	6.21 %

Non-consolidated data, residents

\* In accordance with the CNB methodology, receivables from and payables to are included only for the Czech part of the bank.

\*\* Converted at the exchange rate of CZK 25.18/EUR as of 29 September 2024.

\*\*\* Data for UniCredit Bank Czech Republic and Slovakia, a.s., a branch of a foreign bank.

## 5. Organisational structure

The Bank is part of the UniCredit Banking Group (hereinafter the “Group”). As a member of the Group, the Bank must comply, with the exception of certain relevant legal regulations, with directives issued by UniCredit S.p.A. (hereinafter the “Parent Company”). The Parent Company shall monitor the proper implementation and observation of the directives (hereinafter the “Holding Guidelines”) issued by the Parent Company in the Bank.

The Holding Guidelines are rules that define the management, organisational structure and managerial responsibilities within key processes in the Group that are issued in exercising its powers to supervise and co-ordinate the Group in accordance with the instructions issued by the Italian surveillance authority, with the aim to maintain the Group's stability.

### History of the Group

While the banking group's history dates back as far back as 1473, the year in which Rolo Banca was created, the contemporary history of UniCredit Group begins from a merger of nine leading Italian banks, the subsequent integration with the German HVB Group and, most recently, with the Italian Capitalia.

In 1999, acquisition of Bank Pekao of Poland meant the beginning of the Group's expansion (at that time under the name UniCredito Italiano) into Central and Eastern Europe (CEE).

Growth continued over the next few years with purchase of the Pioneer Investments group, the subsequent formation of Pioneer Global Asset Management, and then further strategic acquisitions gradually carried out in Bulgaria, Slovakia, Croatia, Romania, the Czech Republic, and Turkey.

In 2005, UniCredit merged with the German group HVB, which had itself been formed in 1998 by the joining of two Bavarian banks: Bayerische Vereinsbank and Bayerische Hypotheken- und Wechsel-

Bank. The result was a single, major European bank. Integration with the HVB Group – reinforced by its own merger in 2000 with Bank Austria Creditanstalt, which was strongly represented in many areas of post-communist “new” Europe – creates a basis for UniCredit Group to continue strengthening its European focus.

By merging in 2007 with Capitalia, the third-largest Italian banking group, UniCredit Group further consolidated and strengthened its position in one of its most important markets, Italy. Capitalia had been established in 2002 from the integration of two previously independent entities, the Bancaroma group (itself the result of a merger between some of the oldest Roman banks: Banco di Santo Spirito, Cassa di Risparmio di Roma and Banco di Roma) and the Bipop-Carire Group.

UniCredit is now simply a successful pan-European commercial bank with a full corporate and investment banking business, bringing products and services to its clients through its unique network in Western, Central and Eastern Europe. UniCredit has both local expertise and international reach.

We support our clients anywhere in the world, providing them with unrivalled access to leading banks in their 13 key markets, as well as in 16 other countries around the world. UniCredit's European banking network includes Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Slovakia, Slovenia and Serbia.

## 6. Competence of UniCredit Bank's bodies, composition of the Board of Directors, Supervisory Board, and Audit Committee, and description of their decision-making procedures

### 6.1. General Meeting

The General Meeting of Shareholders is the Bank's supreme body. It decides on all affairs of the Bank falling under its competence by law or under these Articles of Association.

The following activities fall under the General Meeting's exclusive competence:

- deciding on changes in the Articles of Association unless the change results from an increase in share capital by the Board of Directors under Sec. 511 et seq. of the Act on Business Corporations or in consequence of other legal facts,
- deciding on an increase or decrease in the share capital, or on authorising the Board of Directors thereto under Sec. 511 et seq. of the Act on Business Corporations, or on the possibility to set off financial claims from the Bank against a claim for payment of an issue price,

- c) deciding about the share capital decrease and bond issuing under Sec. 286 et seq. of the Act on Business Corporations,
- d) electing and dismissing members of the Supervisory Board, members of the audit committee, and other bodies established by the Articles of Association,
- e) approving the annual, extraordinary or consolidated financial statements and, in cases defined by law, also interim financial statements; deciding on distributing profits or other equity funds, or on settlement of losses and determining the amount of profit sharing for members of the Board of Directors and Supervisory Board,
- f) deciding on remuneration of members of the Supervisory Board and the audit committee,
- g) deciding on applying for listing of the Bank's participating securities for trading on the European regulated market or withdrawal of the securities from trading on the European regulated market,
- h) deciding on winding up the Bank with liquidation, appointing and dismissing a liquidator, including to establish the level of the liquidator's remuneration and approving the draft distribution of liquidation balance,
- i) approving a transfer or discontinuation of an operation of a plant or any such part thereof which would result in a substantial change in the Bank's scope of business or activities,
- j) approving agreements on silent partnerships, amendments thereto and termination thereof,
- k) appointing auditors of the Bank based on recommendation of the Audit Committee,
- l) deciding on the establishment of non-compulsory funds of the Bank and on procedures for their creation and utilisation, and
- m) deciding on other issues that the Act on Business Corporations, other legal regulations or the Articles of Association define as falling under competence of the General Meeting, and
- n) deciding that the amount of the variable remuneration component for members of the Board of Directors may be higher than the amount of the fixed remuneration component, but not more than twice the fixed remuneration component.

## 6.2. Board of Directors of UniCredit Bank

UniCredit Bank's statutory body is the Board of Directors, which had eight members as at 31 December 2024. The members of the Board of Directors exercise their function personally. Members of the Management Board are elected by the Supervisory Board for a period of three years. Irrespective of the length of the term of office, the Supervisory Board shall be entitled to remove any member of the Board of Directors from his/her position at any time. Only a person meeting the statutory conditions may be appointed as a member of the Board of Directors of the Bank. The Board of Directors decides by resolution, which is usually adopted at meetings of the Board of Directors. The Board of Directors shall have the capacity to act a majority of all its members are present or otherwise participate

(e.g. by teleconference). The approval of a majority of the members present is required for a resolution to be valid. In the event of an equality of votes, the vote of the chairman of the Board of Directors shall be decisive.

The Board of Directors may meet at the registered office or outside the registered office of the Company or by technical means that allow all participants in the meeting to identify each other and to intervene real-time discussions on the topics being researched, as well as receive, send and view documents. Compliance with these requirements must be verified by the person chairing the meeting before the meeting begins. If all members agree, Board members may take decisions by teleconference or in writing without a meeting (per rollam); those voting are deemed present. Resolutions adopted by teleconference or per rollam shall subsequently be recorded in the minutes of the immediately following ordinary meeting of the Board of Directors.

In particular, the Board of Directors is responsible for:

- a) organise the daily activities of the bank and manage it commercially,
- b) convene the General Assembly and implement its decisions,
- c) to submit to the General Assembly
  - at least once a year, a report on business activities and the condition of the Bank's assets. This report forms part of the Bank's annual report,
  - ordinary, extraordinary, consolidated or interim financial statements with a proposal for the distribution of profits or the settlement of losses, and prepare these documents,
- d) to publish, in the manner required for convening the general meeting, the main data from the financial statements (which are total assets, total liabilities, equity, profit before tax, profit after tax) and a report on business activities and the state of the Bank's assets at least 30 days before the Annual General Meeting, at the same time where the financial statements for inspection, or publish in a manner for convening the General Meeting information that and where it has published the financial statements on its website in accordance with Section 436(1), second sentence of the ZOK,
- e) to decide on the establishment and closure of the Bank's branches,
- f) Appoint and dismiss the Bank's senior staff,
- g) exercise employer's rights,
- h) to issue, if it deems it appropriate, rules of procedure for the Board of Directors, which shall not conflict with these Articles of Association; the rules of procedure of the Board of Directors shall be subject to the prior approval of the Supervisory Board,
- i) grant and revoke authorisations to act for the Bank and powers of attorney to the Bank's representatives,
- j) to establish, in accordance with generally binding legal regulations, mandatory funds of the Bank and to determine, together with the Supervisory Board, the method of their creation and use,

- k) to conclude a statutory audit contract with an auditor appointed by the General Assembly,
- l) establish the Bank's committees and determine their tasks,
- m) grant and remove proxies, with the prior approval of the Supervisory Board; and
- n) to perform other duties prescribed by law or these statutes.

#### **Mgr. JAKUB DUSÍLEK, MBA**

Chairman of the Board of Directors and CEO  
 Working address: Želetavská 1521/1, Prague 4  
 Residence: Měsíční 1366/10, Uhřetěves, 104 00 Praha 10  
 Date of birth: 17 December 1974

#### **Ing. SLAVOMÍR BEŇA**

Vice-Chairman of the Board of Directors and Deputy Chief Executive Officer, Head of Corporates  
 Working address: 1521/1 Želetavská Street, Prague 4  
 Residence: Chopinova 1500/20, Vinohrady, 120 00 Prague 2  
 Date of birth: 22 April 1976

#### **ALEN DOBRIĆ**

Member of the Board of Directors and Director of Risk Management Division  
 Working address: Želetavská 1521/1, Prague 4  
 Residence: U Laboratoře 1102/2, Střešovice, 162 00 Prague 6  
 Date of birth: 17 June 1980

#### **Mgr. TOMÁŠ DRÁBEK**

Member of the Board of Directors and Director of the Retail Division  
 Working address: Želetavská 1521/1, Prague 4  
 Residence: Pod Havránkou 7/10, Troja, 171 00 Prague 7  
 Date of birth: 14 January 1978

#### **MARIA-GEORGIA SĂLĂGEAN**

Member of the Board of Directors and Director of Finance Division  
 Working address: Želetavská 1521/1, Prague 4  
 Residence: Laténská 862/15, Jinonice, 158 00 Prague 5  
 Date of birth: 30 April 1986

#### **Ing. JAROSLAV HABO**

Member of the Board of Directors and Director of the Slovakia Branch Office  
 Working address: Šancová 1/A, 813 33 Bratislava  
 Residence: Keltská 760/7, 85110 Bratislava, Slovak Republic  
 Date of birth: 27 April 1976

#### **VALENTINA STRANIERI**

Member of the Board of Directors and Director of the People & Culture Division  
 Working address: Želetavská 1521/1, Prague 4  
 Residence: Baarova 1540/28, Michle, 140 00 Praha 4  
 Date of birth: 26 August 1983

#### **STEFANO GISON**

Member of the Board of Directors and Director of the COO Division  
 Working address: Želetavská 1521/1, Prague 4  
 Residence: Všešrdova 445/5, Malá Strana, 118 00 Prague 1  
 Date of birth: 9 March 1973

#### Changes in the Board of Directors in 2024

As of 1 January, Ms Maria-Georgia Sălăgean took up the position of Member of the Board of Directors and Head of Finance.

#### **6.3. Supervisory Board of UniCredit Bank**

The Supervisory Board has 9 members (1 seat was vacant as of 31 December 2024), 6 of whom are elected and dismissed by the General Assembly and 3 of whom are elected and dismissed by the company's employees in accordance the Companies Act. The members of the Supervisory Board perform their duties personally. Members of the Supervisory Board are elected for a term of 3 years. Re-election of the Supervisory Board members is possible. The Supervisory Board shall have the capacity to act a majority all its members are present or otherwise present (e.g. by teleconference). The consent of a majority of all members of the Supervisory Board is required for a resolution to be valid. Vote of the chairman is decisive in the event of a tie. The Supervisory Board may meet at the registered office or outside the registered office of the company or by technical means that allow all participants in a meeting to identify each other and intervene in real time in the discussion of the topics under review, as well as to receive, send and view documents. Compliance with these requirements must be verified by the person presiding over the meeting before the meeting begins. If all members agree, the Supervisory Board members may take decisions in writing, without a meeting (per rollam); those voting are deemed to be present. Resolutions adopted per rollam shall subsequently be recorded in the minutes of the immediately following ordinary meeting of the Supervisory Board.

The Supervisory Board has appointed a Remuneration Committee, which composed of three members of the Supervisory Board (Gianfranco Bisagni, Ivan Tardivo and Eva Mikulkova). The Remuneration Committee is responsible for preparing proposals for decisions on remuneration, including those that have an impact on the risks and risk management of the obligor, to be adopted by the Bank's Supervisory Board. In preparing these decisions, the Remuneration Committee takes into account the long-term interests of the Bank's shareholders, investors and other stakeholders and the public interest.

Under the direct supervision of the Remuneration Committee is the remuneration of staff in the risk management function, the internal audit function and the compliance function.

In addition, the Supervisory Board appointed a Nomination Committee made up of three members of the Supervisory Board (Gianfranco Bisagni, Ivan Tardivo and Raphael Barisaac). The Nomination

Committee is responsible for identifying and proposing candidates for approval by the Supervisory Board for vacancies on the Bank's Management Board, as well as candidates for approval by the sole shareholder for seats on the Supervisory Board. In doing so, the Nomination Committee shall also assess the balance of professional competence and experience and the diversity of the composition of the body as a whole.

The Nomination Committee proposes a description of the activities and skills required for a specific position and estimates the expected time commitment associated with the position; the Nomination Committee also recommends a target representation of the under-represented gender on the Board of Directors and a policy to increase the number of representatives under-represented gender on the Board to achieve the stated objective;

- a) regularly and at least annually assess the structure, size, composition and performance of the Board of Management and make recommendations to the Supervisory Board on any changes,
- b) periodically and at least once a year, assess the credibility, competence and experience of individual members of the Management Board and the Management Board as a whole and report this assessment to the Supervisory Board,
- c) periodically review the Board of Management's policies on the selection and appointment of persons in senior management and make recommendations to the Supervisory Board.

The Supervisory Board also appointed a Risk Committee, which is composed of three members of the Supervisory Board (Davide Bazzarello, Ivan Tardivo, Raphael Barisaac).

In particular, the Risk Committee shall carry out the following activities:

- a) periodically and at least once a year, assess the credibility, competence and experience of individual members of the Management Board and the Management Board as a whole and report this assessment to the Supervisory Board,
- b) review whether the valuation of assets, liabilities and off-balance sheet items reflected in the offer to clients fully reflects the bank's business model and risk strategy. If the pricing of risks is not appropriately aligned with the business model and the Bank's risk strategy, the Risk Committee shall submit a remedial plan to the Supervisory Board.

The Bank's Supervisory Board is responsible for overseeing the Bank's business activities and the exercise of the powers of the Board of Directors.

#### **The Supervisory Board:**

- assesses the Bank's specific lines of business and commercial policy and supervises its implementation,
- is authorised to verify the Bank's progress in its affairs,

- review the ordinary, extraordinary and consolidated, or interim, financial statements and the proposal for the distribution of profits or the settlement of losses and submit its opinion to the General Meeting,
- shall be entitled, through any member, to inspect all documents and records relating to the Bank's activities,
- check that the accounting records are properly kept in accordance with the facts and that the business of the Bank is conducted in accordance with the law and these Articles of Association,
- convene the General Assembly if the interests of the Bank so require and propose to the General Assembly the necessary measures,
- designate a member to represent the Bank in proceedings before courts and other authorities against a member of the Board of Directors,
- issue, if it deems it appropriate, rules of procedure for the Supervisory Board, which shall not conflict with these Articles of Association,
- approve any rules of procedure of the Board of Directors,
- elects and dismisses members of the Board of Directors. New members of the Management Board are elected from candidates that may be proposed by any member of the Supervisory Board. It shall also decide on the removal of members of the Management Board on the proposal of any member of the Supervisory Board,
- in accordance with the measures of the Czech National Bank and the legal norms published in the Collection of Laws of the Czech Republic, it sets out the general conditions of the Bank's activities and the conditions for compliance with the risk credit exposure,
- approve the performance of duties agreements concluded between the Bank and the members of its Board of Directors and any performance by the Bank for the benefit of the members of its Board of Directors pursuant to Section 61(1) of the ZOK,
- decides on the remuneration of the members of the Board of Directors and sets the remuneration policy for the Internal Audit Manager and Compliance Manager. In the case that the General Meeting decides pursuant to Section 8(2)(n) of these Articles of Association that the amount of the variable remuneration for members of the Executive Board may be higher than the amount of the fixed remuneration, but not more than twice the amount of the fixed , the Supervisory Board shall determine in each individual case the ratio between the fixed and a variable remuneration component,
- establishes committees of the Supervisory Board and determines their tasks,
- supervises the efficiency and effectiveness of the Bank's management and control system,
- may request the chairman of the committee to convene a meeting of the committee; and
- perform other duties as required by law, these Bylaws and the Group Rules.

**GIANFRACO BISAGNI**

Vice-Chairman of the Supervisory Board

Residence: Via Guglielmo Marconi, 105, 19125 La Spezia SP, Italy

Born on: 9 November 1958

**DAVIDE BAZZARELLO**

Vice-Chairman of the Supervisory Board

Residence: Cormano (MI), Via JF Kennedy 27, Italy

Date of birth: 15 November 1973

**ENRICA RIMOLDI**

Residence: Via Emilio Motta 6, Milan, Italy

Born on: 29 June 1968

**EVA MIKULKOVÁ**

Residence: Dlouhá 512, Kročehlavy, Kladno

Born on: 29 January 1957

**Ing. JANA SZÁSZOVÁ**

Residence: Hany Meličkovej 2989/18, 841 05 Bratislava, Slovak Republic

Born on: 17 January 1963

**Ing. ALAN GRUND**

Residence: Křišťálová 1004/18, Slivenec, 154 00 Prague 5

Born on: 17 September 1972

**IVAN TARDIVO**

Residence: Via Corregio 19, 20149 Milano, Italy

Date of birth: 6.1.1969

**RAPHAEL BARISAAC**

Residence: Corso Garibaldi 12, Milano, Italy

Date of birth: 20.5.1971

In 2024, the following changes took place:

Mr. Goffredo Guizzardi has resigned his membership of the Supervisory Board and Mr. Raphael Barisaac was elected in his place on 12 July 2024. As of 31 August 2024, Mr. Anrea Vintani resigned from the Supervisory Board and Mr. Ivan Tardivo was elected in his place on 21 October 2024. On 2 September 2024, the Chairman of the Supervisory Board, Ing. Mr. Jiří Kunert passed away, and on 21 October 2024, Mr. Gianfranco Bisagni, the current Deputy Chairman, was elected Chairman of the Supervisory Board. Mr Davide Bazzarello was elected to the position of Deputy Chairman on the same date.

**6.4. Audit Committee**

The Audit Committee is an independent committee with the task of overseeing, monitoring and advising in matters of concern regarding accounting and financial reporting, internal control, auditing and risk management, external auditing, and monitoring compliance with laws, the Bank's regulations and the Code of Conduct.

The Audit Committee consists of 3 (three) members appointed and dismissed by the General Meeting for a term of 3 (three) years from among the Supervisory Board members or third persons. Majority of the members of the Audit Committee must be independent and competent. At least one member of the Audit Committee must be a person who is, or was, a statutory auditor or a person whose knowledge or work experience in the area of accounting are a precondition for due exercise of the office of an Audit Committee member in view of the sector in which the Bank operates; such a member must at all times be independent.

The Audit Committee can order inspections and specifically focused audit investigation of the Bank's functions, other Bank units and their subsidiaries. Additionally, the Audit Committee can be asked to assess interbank transactions and intragroup transactions and other transactions involving direct or indirect conflict of interests. Upon conduct of its business, the Audit Committee can ask the Group Audit function for consulting. In such case, the Group Audit staff will be obliged to comply with all non-disclosure provisions.

Without prejudice to the liability of the members of the Board of Directors or the Supervisory Board, the Audit Committee performs particularly the following activities:

- monitors the efficiency of internal control, risk management system;
- monitors the efficiency of internal audit and its functional independence;
- monitors the process of compilation of the financial statements and the consolidated financial statements, and submits to the Board of Directors or the Supervisory Board recommendations to ensure integrity of the accounting and financial reporting system;
- recommends an auditor to the Supervisory Board, providing due justification for such recommendation, unless otherwise provided under a directly applicable regulation of the European Union governing specific requirements for statutory audit of public interest entities;
- assesses independence of the statutory auditor and the audit company, and the provision of non-audit services to the Bank by the statutory auditor and audit company;
- discusses with the auditor the risks posing threat to his or her independence and the protective measures adopted by the auditor to mitigate such risks;
- monitors the statutory audit process, relying on the summary report treating the quality assurance system;
- gives opinion on termination of the obligation under the statutory audit contract or withdrawal from the statutory audit contract;
- examines whether to subject the audit contract to examination of audit contract quality management by other statutory auditor providing audit services in his or her name and on his or her own account or by audit company under Article 4(3), first sub-paragraph of Regulation (EU) No 537/2014 of the European Parliament and of the Council;



- informs the Supervisory Board of the statutory audit outcome and the knowledge obtained during monitoring the statutory audit process;
- informs the Supervisory Board of how the statutory audit helped ensure integrity of the accounting and financial reporting system;
- decides whether or not the auditor should continue to carry out the statutory audit in accordance with Article 4(3), second subparagraph of Regulation (EU) No 537/2014 of the European Parliament and of the Council;
- approves provision of other non-audit services;
- approves the selection procedure report resulting from the selection procedure in accordance with Article 16 of Regulation (EU) No 537/2014 of the European Parliament and of the Council.

Meetings of the Audit Committee shall have a quorum if attended in person or via teleconference by the majority of its members. Decisions of the Audit Committee are passed by a simple majority of votes of the attending members of the Audit Committee, unless the decisions are taken “per rollam”, which must be approved by all Audit Committee members. A resolution passed per rollam should be then included in the minutes of the next meeting of the Audit Committee.

The Audit Committee appoints and dismisses a chairman from among its members. The Chairman coordinates and plans activities of the Audit Committee, convenes meetings and chairs meetings. The chairman must be independent.

The auditor is obliged to submit, from time to time, reports to the Audit Committee of significant events arising out of the statutory audit, particularly of significant shortcomings found in the internal control system relating to the process of compilation of the financial statements or the consolidated financial statements.

#### **MARCO RADICE**

Chairman of the Audit Committee

Residence: Via S. Simpliciano, 5 – 20121 Milan, Republic of Italy

Born on: 28 August 1957

#### **DAVIDE BAZZARELLO**

Residence: Cormano (MI), Via JF Kennedy 27, Republic of Italy

Born on: 15 November 1973

#### **ENRICA RIMOLDI**

Residence: Via Emilio Motta 6, Milano, Italy

Born on: 29 June 1968

There were no changes in the Audit Committee in 2024.

### **6.5. Conflicts of interest at the level of management and supervisory bodies:**

The Issuer is not aware of any possible conflicts of interest between the duties to the Issuer of the aforementioned persons and their

private interests or other duties. UniCredit Bank has prepared an Ethics Code that stipulates how to proceed in case of a conflict of interest. The main activities of the members of managing and control bodies of the Issuer outside the Issuer are not significant for the Issuer.

### **6.6. Information on company's governance codes**

UniCredit Bank voluntarily complies with the Czech Corporate Governance Code 2018 (the “Code”), the full text of which is available at <https://www.mfcr.cz/cs/o-ministerstvu/odborne-studie-a-vyzkumy/2019/kodexspravy-a-rizeni-spolecnosti-cr-201-34812>. UniCredit Bank has not been able to adopt the Code as a whole because it fails to comply with clause 7.1.2 of the Code, which requires the Articles of Association to identify key decisions of the Board of Directors of fundamental importance that would be subject to prior approval by the Supervisory Board. This provision, which was included in UniCredit Bank's Articles of Association until 2020, was, on the contrary, deleted following the conclusion of the Czech National Bank's inspection of UniCredit Bank, where the CNB concluded that the Articles of Association as then worded were invalid to this extent due to a contradiction with corporate law and the requirement for a balance of competences, while interference with the competence of the Board of Directors is possible only on the part of the General Meeting, which may reserve the competence in question in the Articles of Association.

Furthermore, UniCredit Bank does not comply with clause 10.2.1 (according to which it should identify and specify significant related party transactions, which must always be formally approved by the General Meeting). Such transactions are approved by a special committee in UniCredit Group), 10.2.2 (according to which the company should disclose significant related party transactions on its website), 10.5.1 (according to which half-yearly reports should be submitted to non-executive members of elected bodies before publication) and 10.6 (according to which it should disclose non-financial information to understand its performance, position and the impact of its activities on the surrounding environment. This information should be provided in a comprehensible form to a wide range of stakeholders – this information is published by UniCredit Group).

The Bank's parent company, UniCredit S.p.A., has defined its overall corporate governance framework in accordance with Italian and European laws and the recommendations of the Italian Code of Corporate Governance for Listed Companies adopted in 2001 (Codice di Corporate Governance), available at: <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>. This Code was created for companies with shares listed on the main Italian market (Mercato Telematico Azionario) managed by the Italian Stock Exchange (Borsa Italiana).

The Bank's governance is guided by the relevant principles and recommendations contained in the Code.

## 7. Legal and arbitration proceedings

As at 31 December 2024, the Bank reviewed the pending legal disputes against the Bank and created corresponding provisions for the litigation.

In addition to those disputes, the Bank was also subject to other claims resulting from the Bank's regular business activities.

The Bank is not, and during the past 12 months was not, involved in any judicial, administrative or arbitration proceedings which,

in the Bank's opinion, could have, or in the past 12 months had, a material impact on the Bank's financial situation or profitability.

## 8. Material change in the Issuer's financial situation

Since the publishing date of the audited financial statements for the year ended 31 December 2024, no significant change has occurred in the financial situation of the Issuer.

## 9. Loans outstanding, accepted borrowings and other liabilities as at 31 December 2024

<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	7 473 thousand EUR
Interest :	0,80 %
The date the loan was granted:	31. 8. 2015
Due Date:	30. 6. 2028
Method of reinsurance:	Pledge of receivables
<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	197 thousand EUR
Interest :	0,80 %
The date the loan was granted:	31. 8. 2015
Due Date:	30. 6. 2028
Method of reinsurance:	Currency exchange
<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	9 690 thousand EUR
Interest :	0,90 %
The date the loan was granted:	30. 12. 2015
Due Date:	29. 9. 2028
Method of reinsurance:	Pledge of receivables
<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	255 thousand EUR
Interest :	0,90 %
The date the loan was granted:	30. 3. 2016
Due Date:	29. 9. 2028
Method of reinsurance:	Currency exchange
<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	611 thousand EUR
Interest :	0,686 %
The date the loan was granted:	31. 10. 2018
Due Date:	29. 6. 2029
Method of reinsurance:	Pledge of receivables



<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	16 thousand EUR
Interest :	0,686 %
The date the loan was granted:	31. 10. 2018
Due Date:	29. 6. 2029
Method of reinsurance:	Currency exchange
<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	4 947 thousand EUR
Interest :	0,426 %
The date the loan was granted:	10. 4. 2017
Due Date:	29. 6. 2029
Method of reinsurance:	Pledge of receivables
<b>Creditor:</b>	<b>Oesterreichische Kontrollbank</b>
Borrower:	UniCredit Bank Czech Republic and Slovakia, a.s.
Amount of credit:	130 thousand EUR
Interest :	0,426 %
The date the loan was granted:	10. 4. 2017
Due Date:	29. 6. 2029
Method of reinsurance:	Currency exchange
<b>Creditor:</b>	<b>Česká spořitelna a.s.</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	200 000 thousand CZK
Interest :	5,20 %
The date the loan was granted:	13. 04. 2023
Due Date:	13. 04. 2028
Method of reinsurance:	Declaration of Patronage
<b>Creditor:</b>	<b>Česká spořitelna a.s.</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	235 000 thousand CZK
Interest :	4,99 %
The date the loan was granted:	13. 11. 2023
Due Date:	13. 11. 2028
Method of reinsurance:	Declaration of Patronage
<b>Creditor:</b>	<b>Česká spořitelna a.s.</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	337 500 thousand CZK
Interest :	4,73 %
The date the loan was granted:	07. 06. 2024
Due Date:	07. 06. 2029
Method of reinsurance:	Declaration of Patronage
<b>Creditor:</b>	<b>Česká spořitelna a.s.</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	300 000 thousand CZK
Interest :	4,05 %
The date the loan was granted:	19. 12. 2024
Due Date:	19. 12. 2029
Method of reinsurance:	Declaration of Patronage

<b>Creditor:</b>	<b>Council of Europe Development Bank</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	562 500 thousand CZK
Interest :	3,20 %
The date the loan was granted:	14. 12. 2021
Due Date:	19. 01. 2027
Method of reinsurance:	Secured by bonds
<b>Creditor:</b>	<b>European Investment Bank, Luxembourg</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	5 000 thousand EUR
Interest :	0,015 %
The date the loan was granted:	26. 5. 2020
Due Date:	26. 5. 2025
Method of reinsurance:	Secured by bonds
<b>Creditor:</b>	<b>European Investment Bank, Luxembourg</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	13 000 thousand EUR
Interest :	3,864 %
The date the loan was granted:	16. 3. 2023
Due Date:	16. 3. 2028
Method of reinsurance:	Bank guarantee
<b>Creditor:</b>	<b>European Investment Bank, Luxembourg</b>
Borrower:	UniCredit Leasing CZ, a.s.
Amount of credit:	457 996,5 thousand CZK
Interest :	5,843 %
The date the loan was granted:	16. 3. 2023
Due Date:	16. 3. 2028
Method of reinsurance:	Bank guarantee
<b>Creditor:</b>	<b>European Investment Bank, Luxembourg</b>
Borrower:	UniCredit Leasing Slovakia, a.s.
Loan amount:	5 000 thousand EUR
Interest :	0,015 %
The date the loan was granted:	19. 5. 2020
Due Date:	26. 5. 2025
Method of reinsurance:	Secured by bonds
<b>Total amount of loans at 31 December 2024</b>	<b>3 259 540 515 CZK</b>

## 10. Material contracts

UniCredit Bank has not concluded any such contracts which could give rise to an obligation or a claim of any member of the Group that would be material to the Bank's ability to settle its liabilities to securities holders based on the issued securities.

## 11. Total amount of outstanding bond issues

Total outstanding bonds including bonds in EUR and USD – converted at the CNB exchange rate as at 31 December 2024 CZK 113,767,636,554.

## 12. Information on the number of shares issued by the Issuer which are under the ownership of the Issuer's managers, including persons close to these persons

The number of shares issued by the Issuer under the ownership of managers or persons close to these persons is zero. There are no options or comparable investment instruments, the values of which relate to shares or similar securities representing an ownership interest in the Issuer.

### 13. Principles of remuneration of persons with managerial authority of the Issuer

#### Remuneration policy

The remuneration policy for persons with managerial authority is established in accordance with “UniCredit Group Remuneration Policy” and in accordance with 163/2014 Coll. and consists of a basic salary policy, a variable remuneration system “Group Incentive System” and benefits. The key pillars of the remuneration policy are clear and transparent governance, regulatory compliance and ethical compliance, ongoing monitoring of market trends and practices, providing sustainable rewards for sustainable performance and the motivation and stabilization of all employees, with a special focus on talented employees and those who are essential to the achievement of the company's mission.

#### Board of Directors

The remuneration of members of the Management Board is approved for each calendar by the Remuneration Committee of the Supervisory Board of UniCredit Bank Czech Republic and Slovakia, a.s. (hereinafter referred to as the Remuneration Committee) on the basis of documents submitted by the People&Culture Department and prepared in cooperation with the People&Culture unit of UniCredit Group. The members of the Remuneration Committee in 2024 were Jiří Kunert (until 2 September 2024), Andrea Vintani (until 31 August 2024), Ivan Tardivo (from 24 October 2024), Gianfranco Bisagni (from 18 September 2024) and Eva Mikulková. Since May 2014, in accordance with the new Civil Code, the members of the Board of Directors perform their duties on the basis of a contract of service as a member of the Board of Directors. According to this contract, they are entitled to a monthly payment of fixed amounts (remuneration for the performance of the duties of a member of the Board of Directors), annual variable remuneration and certain benefits are granted. No local remuneration is due to foreign members of the Board of Directors, while foreign executive officers of the Bank are remunerated by the parent company. These costs are charged by the parent company to the Bank and are included in the remuneration report.

#### Contractual salaries of the Bank's executive management

Contractual salaries are defined on the basis of the value of the job in the UniCredit Group's senior management classification system (“Global Job Model”), key competencies of executive manager and market benchmarking with other financial and banking market players in the Czech Republic, UniCredit Group and Central and Eastern Europe.

In the case of changes to the contractual salaries of individual members of the Bank's Board of Directors, the Director of Compliance, and the Director of Internal Audit, the Remuneration Committee approves these changes on the basis of documents submitted by the People&Culture department and prepared in cooperation with the People&Culture department of UniCredit Group.

#### Variable remuneration of the Bank's executive management

The UniCredit Group's 2024 Group Incentive System (the “System”) has been approved by the Remuneration Committee as the binding regulation for variable remuneration for executive.

The variable remuneration, its amount and method of payment, is determined in accordance with the System using the following components:

1. “**Bonus pool**”;
2. “**Entry Conditions**”;
3. “**Risk and Sustainability Adjustments**”;
4. “**Individual Performance Scorecard**”;
5. “**Bonus cap**”;
6. “**Malus mechanisms**”;
7. **Hedging Ban**;
8. **Bonus Payout**.

#### Ad 1. Bonus Pool

Bonus Pool means the total amount available for the payment of variable rewards in a given year. The basis for determining the amount of the Bonus Pool is the risk-adjusted performance indicator, the so-called Operating EVA. The Bonus Pool is defined at the budgeting stage for each country as a percentage of the relevant resource indicator, considering analysis of historical data, expected profitability, business strategy and market developments/external comparisons. The final amount of the Bonus Pool is determined after meeting the Entry Conditions and after taking into account Risk and Sustainability Adjustments.

In addition, the size of the Bonus Pool takes into account any recommendations issued by European or local regulatory authorities on the variable remuneration component.

#### Ad 2. Entry Conditions

The indicators referred to as “Entry Conditions” measure profitability, capital adequacy and liquidity. “Entry Conditions” are a mechanism that verifies the condition for reducing or eliminating the Bonus Pool altogether depending on the level of compliance with the indicators. In order to comply with regulatory requirements in the event of non-compliance “Entry Conditions” reduce or eliminate the bonuses of executives/selected employees. If the “Entry Conditions” are met, the reduction is not applied and further adjustments are made based on Risk & Sustainability Adjustments.

In 2024, Entry Conditions were defined using the following parameters:

Group	CEE Division	Local
Operating EVA (Net operating profit – Cost of capital) > 0	Operating EVA (Net operating profit – Cost of capital) > 0	Operating EVA (Net operating profit – Cost of capital) > 0
Net profit > 0	Net profit > 0	Net profit > 0
Equity and Leverage Ratio > RAF (Risk appetite framework) limits		Equity and Leverage Ratio > RAF (Risk appetite framework) limits
Short-term liquidity ratio (Liquidity Coverage Ratio) > 111%		Short-term liquidity ratio (Liquidity Coverage Ratio) > 108%
Net stable funding ratio (Net Stable Funding Ratio) > 102.3%		Net stable funding ratio (Net Stable Funding Ratio) > 102%

### Ad 3. Risk & Sustainability Adjustments

The purpose of Risk & Sustainability Adjustments is to assess the “quality of performance” from a sustainability perspective. The KPIs for this assessment are part of the Bank’s Risk Appetite Framework. Application of the parameters “Risk & Sustainability Adjustments” will confirm, reduce or completely cancel the payment of bonuses to executive managers. In accordance with the relevant regulatory requirements, the overall assessment of sustainable performance parameters is reviewed by the Remuneration Committee.

### Ad 4. Individual Performance Scorecard

The Individual Performance Scorecard is a table of performance goals for executive officers established annually by the Remuneration Committee. The performance objectives are closely linked to the Bank’s strategic plan. Individual performance appraisals are based on specific objectives, with a balanced mix, based on role and seniority, of financial quantitative KPIs and qualitative objectives, including strategic priorities, sustainability, as well as behaviours in line with the Group’s culture and corporate values. The Remuneration Committee approves their achievement based on a proposal from the direct reports of the Executive Managers for each calendar year and for each Executive Manager separately.

For example, performance indicators approved by the Compensation Committee for executive officers in 2024 included:

- Revenue net of risk costs,
- Operating costs and cost to income,
- Net capital formation,
- Return on allocated capital.

The other objectives were both quantitative qualitative and vary for each executive depending on the priorities of the segment for which the executive is responsible. The executive manager responsible for risk management does not have business or financial performance targets in his objectives, other than the level of operating expenses.

### Ad 5. Bonus Cap

In accordance with the applicable regulation, a cap is in place for the variable remuneration component, as one times the annual fixed

remuneration, with the possibility of increasing to twice the annual fixed remuneration if permitted by the local regulator and subject to shareholder approval by a qualified majority. A more conservative approach is used for the control functions and for the People & Culture function, which sets the cap for the variable remuneration component at 80% of the annual fixed remuneration.

### Ad 6. Malus mechanisms

Malus and Claw-back can be applied in the case of confirmation of behavior adopted in the reference period (performance period) for which the executive:

- Contributed by fraudulent conduct or gross negligence to significant financial losses to the bank or its customers, or adversely affected the risk profile or other regulatory requirements
- doubted and/or failed to take the expected action in relation those errors or omissions that contributed significant damage to the Bank’s reputation or triggered disciplinary action by regulatory authorities;
- is the subject of disciplinary action and referrals in relation to fraudulent or grossly negligent conduct during the reference period;

In addition, executive directors’ awards may be subject to claw-back in the event of payouts made on the basis of assumptions that subsequently prove to be incorrect.

Eligibility for the bonus is also conditional on the completion of a minimum of 90% of the required learning courses.

### Ad 7. Hedging Ban

Executive Directors are required not to use personal remuneration hedging strategies and related liability insurance to mitigate the risks associated with their remuneration arrangements. Engaging in any form of hedging transaction is considered a breach of the Compliance Policy and any right to earn variable remuneration under the Remuneration Scheme is forfeited.

### Ad 8. Bonus Payout

Bonus payment for the period (2024) is according to the rules “2024 Group Incentive System” spread over a multi-year period:

#### Chairman of the Board of Directors and the Vice-Chairman of the Board of Directors

- The first part of the payout (2025) is payable half in cash and half in non-cash instruments and represents 40% of the bonus determined for the period; the non-cash instruments are subject to a retention period of one year.
- The second part of the payment (2028) is payable in non-cash instruments and represents 20% of the bonus determined for the period; the non-cash instruments are subject to a retention period of one year.
- The third part of the payment (2029) is payable in non-cash instruments and represents 20% of the bonus determined for the period; the non-cash instruments are subject to a retention period of 1 year.
- The fourth part of the payment (2030) is payable in cash and represents 20% of the bonus set for the period;
- In each year, the bonus payment is subject to the fulfilment of Entry conditions and the possibility of exercising Malus mechanisms.

#### Senior Management with variable remuneration over EUR 370,000

- The first part of the payout (2025) is payable half in cash and half in non-cash instruments and represents 40% of the bonus set for the period; non-monetary instruments are subject to a retention period of one year.
- The second part of the payout (2026) is payable in non-cash instruments and represent 10% of the bonus determined for the period; non-monetary instruments are subject to a retention period of one year.
- The third part of the payment (2027) is payable in non-cash instruments and represents 10% of the bonus determined for the period; the non-cash instruments are subject to a retention period of 1 year.
- The fourth part of the payment (2028) is payable in non-cash instruments and represents 10% of the bonus determined for the period; the non-cash instruments are subject to a retention period of 1 year.
- The fifth part of the payment (2029) is payable in non-cash instruments and represents 10% of the bonus determined for the period; the non-cash instruments are subject to a retention period of 1 year
- The part of the payment (2030) is payable in cash and represents 20% of the bonus determined for the period;
- In each year, the bonus payment is subject to the fulfilment of Entry conditions and the possibility of exercising Malus mechanisms.

#### Senior Management with variable remuneration below EUR 370,000

- The first part of the payout (2025) is payable half in cash and half in non-cash instruments and represents 50% of the bonus set for the period; non-monetary instruments are subject to a retention period of one year.

- The second part of the payout (2027) is payable in part in cash (5% of the bonus determined for the period) and partly in non-monetary form (10% of the bonus determined for the period); non-monetary instruments are subject to a retention period of one year.
- The third part of the payment (2028) is payable in non-cash instruments and represents 10% of the bonus determined for the period; the non-cash instruments are subject to a retention period of 1 year.
- The fourth part of the payment (2029) is payable in non-cash instruments and represents 15% of the bonus determined for the period; the non-cash instruments are subject to a retention period of 1 year.
- The fifth part of the payment (2030) is payable in cash and represents 10% of the bonus determined for the period
- In each year, the bonus payment is subject to the fulfilment of Entry Conditions and the possibility of exercising Malus mechanisms.

The fulfilment of the conditions for payment in each year and the release of the deferred bonus payment are approved by the Remuneration Committee on the basis of a proposal from the UniCredit Group Board of Directors.

#### Benefits of the Bank's executive management

Benefits are defined in accordance with UniCredit Group's HR policy priorities and the inclusion of the management position in a pre-defined category of employee .

- The following benefits are provided to executive directors by virtue of their service under a board member contract: employer contribution to pension supplementary insurance, employer's contribution to capital life insurance.
- By virtue of their managerial function, executive managers are also provided with a company car for private use.
- Foreign executive managers receive benefits from temporary assignments to the Czech Republic from other UniCredit Group companies in accordance with UniCredit's standards for secondment of senior executives in the UniCredit Group, contractual performance related to long-term stays abroad.

The above benefits are provided in the form of non-monetary benefits and their aggregate amount is included in the remuneration report.

#### **Supervisory Board**

The Supervisory Board consists of nine persons (1 seat was vacant as of 31 December 2024), three of whom are employed by the Issuer and receive remuneration for activities performed for the Issuer on the basis of an employment contract within the meaning of the Labour Code. The members of the Supervisory Board, if they are also employees of any company of the UniCredit Group (including the Issuer), do not receive any remuneration for the performance of their duties.

A contractual fixed remuneration may only be agreed with members of the Supervisory Board who do not also hold executive positions within the UniCredit Group on the basis of an employment contract. The remuneration is valid for the entire term of office of the Supervisory Board member and is decided by the General Meeting of UniCredit Bank Czech Republic and Slovakia, a.s. on the proposal of the Board of Directors.

The remuneration of the members of the Supervisory Board shown in the remuneration table is the income of the 3 members of the Supervisory Board from among the Bank's employees, which they received by virtue of an employment contract within the meaning of the Labour Code; three representatives of the Bank's employees were always members of the Supervisory Board at the same time, 1 foreign member of the Supervisory Board, whom the shareholder had negotiated a contractual fixed remuneration based on the above rules, terminated his mandate on the Supervisory Board during the year, and 1 local member of the Supervisory Board. The remaining members of the Supervisory Board are not remunerated by the Issuer.

The remuneration policy members of the Supervisory Board from among the employees of UniCredit Bank Czech Republic and Slovakia, a.s. is approved by the Bank's Board of Directors on the proposal of the Bank's People&Culture department and benefits are provided in accordance with the applicable collective bargaining agreements between the Bank and its trade unions.

Principles of remuneration of members of the Supervisory Board in the employment of Issuer and the components of their remuneration paid to them under the employment contract, including variable remuneration, is governed by the Bank's internal regulations. Employees' annual variable remuneration is set as a percentage of the target annual variable remuneration (0-150%), based on meeting quantitative and qualitative performance criteria indicators, which are defined in the "Goal Card", which is part of the variable remuneration system of the bank's employees based on the evaluation of individual and team goals. The performance parameters in the "Goal Card" of the members of the Supervisory Board from among the Issuer's employees are dependent on the positions they hold by virtue of their employment contract within the meaning of the Labour Code and are in no way related to the performance of their duties as a member of the Supervisory Board. The amount of the final annual variable remuneration paid to the Issuer's employee members of the Supervisory Board is proposed and approved by their direct supervisor in accordance with the Issuer's organisational structure.

#### **Audit Committee**

The Audit Committee consists of 3 persons, none of whom is employed by the Issuer. A contractual fixed remuneration may be agreed for the performance of the duties of a member of the Audit Committee. The remuneration shall be valid for the entire term of

office of the Audit Committee member and be decided by the General Assembly of UniCredit Bank Czech Republic and Slovakia, a.s. on the proposal of the Board of Directors.

In 2024, the above contractual fixed fees were negotiated with three members of the Committee. The aggregate amount of remuneration paid is set out in the Remuneration Report.

## **14. Diversity, Equality and Inclusion (DE&I) in 2024**

In the dynamic world of banking, where innovation and adaptation play a key role, diversity, equality and inclusion are more than just ethical principles - they are essential for long-term success and competitiveness. We believe that respect for diversity not only enriches our corporate culture, also improves our ability to better understand the needs of clients from different backgrounds, regions and professions.

Our Bank understands that by promoting equal access to opportunities and creating an inclusive work environment, we are building the foundations for a stronger and more innovative organisation. Diversity is not just a matter of gender, age or ethnicity - it also includes diverse experiences, perspectives and approaches to problem solving, that enrich our teams and enable us to meet increasingly complex challenges.

The Bank's long-term Diversity, Equity and Inclusion (DE&I) strategy is firmly embedded not only in our corporate culture, but and in the bank's processes, regulations and overall communication. This includes themes of gender diversity, equal pay, raising awareness of visible and invisible health limitations, parent support, mental health and LGBTQ+. We firmly believe that our commitments in this area are not only a reflection of our responsible approach to employees and society, but also a significant step towards achieving our strategic goals and making a positive difference in the wider community.

One of the key areas is equal pay, which we have been working on for a long time. For us, equal pay means equal pay for work of equal value, regardless of factors unrelated to performance or experience. This includes eliminating pay gaps based on gender, age, nationality, health or other characteristics. The Bank's current remuneration system is built on this basis. Our processes for setting and adjusting pay also take this principle into account. We have set an indicator for gender pay equity called the "gender pay indicator". Same role GPG (Gender pay gap for the same role), which we measure and evaluate regularly. Its value has been maintained over the long term below the 2% threshold.

Another priority area for us is parents and their children. We continue with events for employees on maternity and parental leave, from dedicated get-togethers to the opportunity to attend inspirational



lectures for all employees, which provides opportunities to connect in the non-work phase of life. We are raising awareness on programmes to support parents' return to work, especially for managers. In 2024, we included the topic of active fatherhood through a webinar with an external guest.

The most successful novelty of the year was a children's day for employees' children called "Mum, Dad, where do you work?" Employee children were given the opportunity to understand their parents' work in a playful way and to get to know the banking interactively. Due to the huge interest, we prepared two afternoons full of various activities simultaneously in our Prague and Bratislava headquarters, ranging from a tour of the branch, to creating a marketing campaign, testing a digital application and identifying fake banknotes. The event was attended by 220 children thanks to the enthusiasm of 30 fellow volunteers.

External guests also brought us many other topics through inspiring lectures. In February, we had the opportunity to welcome Katarina Kohlmayer, CFO and member of the KCG Group Board of Directors and winner of the TOP Women of the Czech Republic 2023 poll in the TOP Manager category. We supported Women's Day with a lecture by Dr. Marie Skalská about women's well-being. On the occasion of Earth Day, we held a webinar on local ecology and sustainability, led by experts on ecology from the Czech Union of Conservationists. Kryštof Stupka, human rights activist and member of the government committee for LGBT+ rights, visited us during the summer Pride Parade.

We dedicated the autumn to the area of age diversity. In today's dynamic work environment, age differences are more than just numbers - they are an essential aspect of diversity that can drive innovation, productivity and harmony in the workplace. That's why we've created a three-part series of interactive webinars for managers. They showed how different generations can work together effectively and leverage different knowledge, experiences and perspectives for better results. The content focused on motivation of specific generations, feedback, development and career growth at different life stages.

Our cooperation with the FinŽeny project continued for the second year. The #FinŽeny project brings together inspiring women from the financial world across professions, bringing the debate on key topics of the entire segment into the public space and inspiring the stories of women whose expertise underpins the finance industry. In both editions, the bank has had three senior female participants.

Another platform for cooperation, this time between banks on the Czech market, are DE&I activities under the auspices of the Czech Banking Association (CBA), in which our bank participates. In September we organized a seminar on diversity for all CBA member

banks. Starting in 2022, we will publish a semi-annual benchmark covering the five largest banks in the Czech Market. The benchmark consists of indicators in the following areas: women in management, the return of parents after maternity and parental leave, age diversity and equal pay. Our bank excels particularly in equal pay, the number of part-time employees and the number of women in junior management. We are also doing well in the proportion of women in senior management roles and in the number of parents returning to work after maternity or parental leave, as well as in their stability in the bank one year after their return.

Within the company, great emphasis is still placed on promoting the well-being of our employees, as the health and well-being of employees are key to long-term satisfaction and performance in the workplace. Ensuring work-life balance, the mental and physical health of our employees are priorities for us, which we regularly integrate into our corporate culture.

One of the main steps we took in this direction was the organisation of Health Days at our headquarters in Prague and Slovakia, where we provided our employees with an opportunity to focus on their health and well-being outside of their daily work routine. The event included various activities such as online health lectures, consultations with nutritionists, massages and medical check-ups focused on eye and mole checks. The activities also included an interactive First Aid presentation workshop.

Every month we organise inspiring lectures where experts from different fields (psychology, health, lifestyle...) share their experiences and provide useful tools to improve personal well-being and work performance. The topics have been carefully selected to cover a wide range of employee interests and needs.

As part of our regular activities, we have on-site exercise classes available at our headquarters in Prague. There are several yoga classes each week to promote relaxation, improve flexibility and stress management. We also organise special healthy back exercises to help employees cope with sitting at computers for long periods of time. We have not forgotten about fitness exercises in the form of interval training, which helps to improve physical condition and keep in good shape.

In response to the growing need for mental health care, an online platform for psychotherapeutic support is available, allowing employees to seek professional help and consultation anonymously and free of charge. This service was very welcome and used, both for individual counselling and for attending therapy sessions in the comfort of one's own home. The platforms are available 24/7, ensuring flexibility.

For effective communication and access to mental health information, special pages have been created on the intranet that offer links to



articles, videos and other materials on stress management, burnout prevention, mindfulness techniques and other topics related to mental well-being. In addition, the site also included contact information for professionals that employees could easily find if necessary.

We believe that through these well-being initiatives we have been able to create a healthier and more productive work environment.

DE&I only lives in the company's culture if it truly lives in each of us, as long as each of us works in accordance with the principles of DE&I and uses our degree of influence in our immediate environment. At UniCredit, we fully support such a culture.

## 15. Information on all cash and non-financial income received by the officers, members of the Supervisory Board and members of the Audit Committee from the Issuer

Amounts in CZK					
Members of the Board of Directors					
Short-term employee benefits	Employee benefits after termination of employment	Other long-term employee benefits	Benefits upon early termination of employment	Share-based payments	Total
55 849 659	0	13 939 332	0	1 009 965	70 798 957
Members of the Supervisory Board					
Short-term employee benefits	Employee benefits after termination of employment	Other long-term employee benefits	Benefits upon early termination of employment	Share-based payments	Total
3 896 193	0	3 940 489	0	0	7 836 682
Members of the Audit Committee					
Short-term employee benefits	Employee benefits after termination of employment	Other long-term employee benefits	Benefits upon early termination of employment	Share-based payments	Total
690 773	0	0	0	0	690 773
Other executive managers					
Short-term employee benefits	Employee benefits after termination of employment	Other long-term employee benefits	Benefits upon early termination of employment	Share-based payments	Total
110 835 627	0	585 897	0	0	111 421 524

## 16. Significant future investments other than financial investments planned for 2025

UniCredit Bank's total investments for 2025, excluding financial investments, are planned at CZK 2.47 billion, of which CZK 1.77 billion is for the planned purchase of assets for lease to UniCredit Leasing. Another significant item is investments in information technology (hardware and software) in the total amount of CZK 0.46 billion, that are primarily intended for the development of the Bank's information systems with an emphasis on digitisation, automation and streamlining of processes, as well as meeting regulatory and operational requirements. However, this is only part of the total investment in IT, as part of the IT investment is made in the form of services provided and outsourced and is accounted for as operating costs. Investments in fixed assets, including leased buildings, amounting to EUR 233 million. The main focus is on the development and renewal of the distribution network.

## 17. Details of collateral provided by the Issuer

(CZK thousand)	31 December 2024	31 December 2023
Guarantees and warranties provided	49 627 676	48 909 910
Letter of credit guarantees provided	957 267	465 715
<b>Total</b>	<b>50 584 943</b>	<b>49 375 625</b>

## 18. Internal control policies and procedures and the Issuer's approach to risks related to the financial reporting process

In UniCredit Bank Czech Republic and Slovakia, all internal processes that have either a direct or indirect impact on the bank's reporting have been described. The risks associated with these processes were also described. Controls were set up for these risks with different frequency in order to eliminate these risks. All processes are evaluated and updated twice a year. In addition, the controls set up to eliminate the risks described are reviewed.

The objectives described above were to establish adequate internal controls to ensure the accuracy of financial reporting, to achieve a broader understanding of the risks associated with the preparation of financial statements and to keep these risks under control to an acceptable degree.

The UniCredit Bank Czech Republic and Slovakia Group has developed internal regulations relating to individual areas of the Group's activities that affect the Group's accounting. The procedures for valuation of balance sheet and profit and loss items are described in the annex to the individual and the consolidated annual financial statements included in this annual report. These annual financial statements are submitted to the auditor for review and the financial information for the parent company's consolidation (for each quarter of the year) is submitted four times a year for audit.

## 19. Information on regulated markets and rating of the Issuer or its debt securities

Moody's Investors Service España, S.A. (Moody's") has assigned the Issuer an A3 rating with a stable outlook. In addition, Moody's has assigned an Aa2 rating to selected debt securities issued by the Issuer (listed in the summary below).

Moody's is registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council as amended by Regulation No 462/2013 (the "CRA Regulation").

It is included in the list of credit rating agencies published by the European Securities and Market Authority (ESMA) on its website (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the Regulation.

The Issuer has not commissioned any other rating agency to issue ratings on the same issues or debt securities listed in the summary below. If this possibility arises in the future, the Issuer will proceed in accordance with Article 8d of the Rating Agency Regulation.

Overview of the Issuer's issued and outstanding debt securities admitted to trading on a regulated market.

The following table lists the Issuer's outstanding debt securities admitted to trading on the Prague Stock Exchange. The data is valid as at 31 December 2024.

Name	ISIN	Date of issue	Due date	Currency	Number of pieces	Nominal value 1 piece	Frequency of payout coupon	Coupon	Rating
HVB HZL 5.00/25	CZ0002000680	23. 11. 2005	15. 11. 2025	CZK	420,000	10,000	Annual	5%	–
UCB HZL 10Y FLOAT/37	CZ0002001910	21. 12. 2007	21. 12. 2037	CZK	120,000	100,000	Annual	10Y IRS + 2%	Aa2
UCB HZL 3.04/2028	CZ0002003114	7. 6. 2013	7. 6. 2028	EUR	85	100 000	annual	3,04 %	Aa2

The form/similarity of the securities is book-entry form for all the above bearer issues. The above issues are non-redeemable, except for the issue of UCB HZL 10Y FLOAT/37, ISIN CZ0002001910, which is redeemable by the Issuer on 21 December 2027.

The following table lists the Issuer's outstanding debt securities admitted to trading on the Luxembourg Stock Exchange. The data is valid as at 31 December 2024.

Name	ISIN	Date of issue	Due date	Currency	Number of pieces	Nominal value 1 piece	Frequency of payout coupon	Coupon	Rating
UCB HZL 3M FLOAT /25	XS2188802230	15. 6. 2020	15. 6. 2025	EUR	10 000	100 000	Quarterly	3M EURIBOR +40 bps	Aa2
UCB HZL 3M FLOAT /26	XS2188802313	15. 6. 2020	15. 6. 2026	EUR	10 000	100 000	Quarterly	3M EURIBOR +42 bps	Aa2
UCB HZL 3M FLOAT /27	XS2188802404	15. 6. 2020	15. 6. 2027	EUR	10 000	100 000	Quarterly	3M EURIBOR +44 bps	Aa2
UCB HZL 0,01/25	XS2259866064	19. 11. 2020	19. 11. 2025	EUR	5 000	100 000	annual	0,01 %	Aa2
UCB HZL 3M FLOAT II/26	XS2419387357	15. 12. 2021	15. 12. 2026	EUR	10 000	100 000	Quarterly	3M EURIBOR +15 bps	Aa2
UCB HZL 3,125/27	XS2541314584	11. 10. 2022	11. 10. 2027	EUR	5 000	100 000	annual	3,125 %	Aa2
UCB HZL 3,625/26	XS2585977882	15. 2. 2023	15. 2. 2026	EUR	5 000	100 000	annual	3,625 %	Aa2
UCB HZL 3,75/28	XS2637445276	20. 6. 2023	20. 6. 2028	EUR	5 000	100 000	annual	3,75 %	Aa2
UCB HZL 3M FLOAT/27	XS2764457078	14. 2. 2024	14. 2. 2027	EUR	7 500	100 000	Quarterly	3M EURIBOR +71 bps	Aa2
UCB HZL 2,875/29	XS2907249457	25. 9. 2024	25. 3. 2029	EUR	5 000	100 000	annual	2,875 %	Aa2

The form/similarity of the securities is book-entry form for all the above bearer issues. The above issues are non-redeemable by the Issuer.

The following table lists the Issuer's outstanding debt securities admitted to trading on the Bratislava Stock Exchange. The data is valid as at 31 December 2024.

Name	ISIN	Date of issue	Due date	Currency	Number of pieces	Nominal value 1 piece	Frequency of payout coupon	Coupon	Rating
UCB HZL EUR 1,80/2025	SK4120011123	15. 10. 2015	15. 10. 2025	EUR	10 000 000	1	annual	1,80 %	—

The form/similarity of the securities is in book-entry form for the above bearer issue. The above issue is non-redeemable by the Issuer.



# A report on relations

between the controlling and controlled person and on relations between the controlled person and other persons controlled by the same controlling person

Pursuant to Section 82 et seq. of Act No. 90/2012 Coll., on Commercial Corporations, the Board of Directors of **UniCredit Bank Czech Republic and Slovakia, a.s.**, with registered office at Prague 4, Želetavská 1525/1 Postal Code: 140 92, ID No. 64948242, registered in the Commercial Register maintained by the Municipal Court in Prague, Section. B, Insert 3608 („UCB CS“), for the **period from 1 January 2024 to 31 December 2024** (hereinafter referred to as the „Period“), prepared the **Relationship Report**.

## 1. Structure of relations between UCB CS and the controlling person and persons controlled by the same controlling person

During the period, UCB CS was directly controlled by **UniCredit, S.p.A.** with its registered office at Piazza Gae Aulenti 3 – Tower A – 20154 Milan, Italy.

UCB CS, on the other hand, during the period controlled **UniCredit Leasing CZ, a.s.**, ID No.: 15886492, Želetavská 1525/1, 140 10 Praha 4, **UniCredit Factoring Czech Republic and Slovakia, a.s.** ID No.: 15272028, Želetavská 1525/1, Michle, 140 00 Praha 4 **UniCredit Leasing CZ, a.s.** was the sole shareholder of the following companies during the period: **UniCredit Leasing Slovakia, a.s.**, ID 35730978, Šancová 1/A, Bratislava 814 99, **UniCredit Fleet Management, s.r.o.**, ID:62582836, Želetavská 1525/1, Michle, 140 00 Praha 4, **UniCredit pojišťovací makléřská spol. s r.o.**, ID No.: 25711938, Želetavská 1525/1, Michle, 140 00 Praha 4, **CA-Leasing OVUS s.r.o.**, ID No.: 25714538 Želetavská 1525/1, Michle, 140 00 Praha 4, **ALLIB Leasing s.r.o.**, ID No.: 25708376, Prague 4 – Michle, Želetavská 1525/1, Postal Code 14010.

**UniCredit Leasing Slovakia, a.s.** was the sole shareholder of the following companies during the period: **UniCredit Leasing Insurance Services, s. r. o.**, ID No.: 47926481, Šancová 1/A, Bratislava 814 99, Slovakia, **UniCredit Broker, s. r. o.**, ID No.: 35800348, Šancová 1/A, Bratislava 814 99 and **UniCredit Fleet Management, s.r.o.**, ID No.: 35820381, Šancová 1/A, Bratislava 814 99.

The structure of the UniCredit Group is described in detail in Annex 1 to this report.

## 2. The role of UCB CS within the UniCredit Group:

Within UniCredit Group's CEE division, the Czech and Slovak Republics are among the leading countries. UCB CS is also the leading bank in the CEE region in terms of consolidated profit.

UCB CS plays the role of a universal bank in the markets of the Czech and Slovak Republics and is often a product innovator in the CEE region. UCB CS supports group solutions in the area of products, processes or sales channels, which are piloted in various countries and, if confirmed as successful, are subsequently implemented in other UniCredit banks in the CEE division. UniCredit CS is very active in this area.

In the area of standard banking activities, in addition to the contracts listed below, the controlled person entered into interbank, derivative and other banking transactions with the controlling person and related parties, and these parties cooperated in the issuance of bonds, as well as entered into customer transactions (credit cards, current accounts, deposit products, cash payments, etc.), on normal market terms. In the context of normal banking relationships, certain credit transactions of controlled persons are secured by bank guarantees provided by UniCredit S.p.A., UniCredit Bank Austria AG and UniCredit Bank AG.

The Group also provides credit products and guarantees from UCB CS on normal terms and conditions.

## 3. Method and means of control

The General Assembly is the supreme body of the UCB CS. UniCredit S.p.A. expresses its will through the exercise of its shareholders' rights by resolutions of the sole shareholder in the exercise of the powers of the General Meeting.

According to the UCB CS Articles of Association, the General Meeting is also responsible for electing the members of the Supervisory Board. The Supervisory Board then supervises the implementation of the Bank's business activities and the exercise of the powers of the Board of Directors. The Supervisory Board also elects and dismisses members of the Management Board and recommends candidates for Chairman and Deputy Chairman of the Management Board to the Management Board. However, the members of the Management Board are not bound by this recommendation in their election.

The controlling person has representatives on the bank's supervisory board and board of directors.

UCB CS, as a member of the UniCredit Group, must, subject to applicable law, comply with the regulations issued by UniCredit S.p.A (the „Holding Company“) within the Bank and all companies controlled by it through directives („Holding Company Directives“). The Holding Company Directives are the rules that define the management, the organisation chart and the responsibilities of the managers in the key processes within the Group, which are issued in the exercise of the Holding Company's powers of supervision and coordination of the Group, in accordance with the guidelines issued by the Italian Supervisory Authority with the aim of maintaining the stability of the Group.

UCB CS exercises its influence over its subsidiaries through the exercise of its shareholder rights and through its representatives on the bodies of some of these companies, in particular on their supervisory boards.

#### 4. Overview of mutual agreements between UCB CS and the controlling person or between persons controlled by UCB CS

##### 4.1. Between UCB CS and **UniCredit S.p.A.** , Piazza Gae Aulenti 3, Tower A - 20154 Milan, Italy

Name of the contract	Subject of the contract	Closure date
Subcustody Agreement	Administration and custody of securities	25.6.2003
Intercompany services agreement	Consulting services in the field of methodical group management	11.12.2015
ISDA Master Agreement	Master agreement for derivatives trading on the financial market	29.6.2016
GMRA Master Agreement	Master agreement on granting a loan secured by the transfer of securities	12.8.2016
Deposit Netting Agreement	Agreement on the netting of liabilities and claims on interbank deposits in the event of default.	22.9.2016
Agreement on Anti money laundering transaction of Correspondent Banking monitoring	AML monitoring for correspondent banks	28.1.2018
GMSLA Master Agreement	Master Securities Lending Agreement	5.6.2019
Agreement to centralise KYC analysis of correspondent banking.	UniCredit SpA's commitment to provide UCB CS with KYC analysis of correspondent banking customers	16.12.2019
DPA – Data processing agreement	Personal Data Processing Agreement	13.1.2020
Services Agreement	Ensuring prevalidation of market data used for the calculation of P/L and Market Risk Indicators	8.2.2021
Lease agreement for non-residential premises No. 018/PP-2010/3560	Rent of non-residential premises on Šancova Street in Bratislava	31.12.2010
Contract for the lease of non-residential premises	Rent of non-residential premises on Svätoplukova Street in Bratislava	1.8.2016
Project contracts	Delivery of individual projects – contracts in the PPM system	Contracts valid in 2024
ICT Service Agreement and the Electronic agreements	Outsourcing contract on provision of IT services – CZ + SK	1.12.2024
Sublease agreement	Sublease of part of office space in the building Filadelfie, Želetavská 1	1.4.2022
DPA – Data processing agreement	Personal data processing agreement in connection with the Intercompany services agreement of 11.12.2015	30.10.2023
Contribution Agreement	Agreement on contribution to restructuring costs related to HR integration	21.12.2023
Services Agreement	GAM Cost Sharing Agreement in Corporates and FIG	10.12.2024
Service Agreement	Service contract for the day-to-day operation of offices and other non-residential premises	28.2.2024
Data Processing Agreement	Data Processing Service Agreement dated 28.2.2024	12.4.2024
Group Syn.Sec. Outsourcing Contract	Provision of services related to the administration of Synthetic Securitisation	27.11.2024
Agreement on the collateral assignment of a receivable from a term deposit held with a bank	Agreement on the collateral assignment of a receivable from a term deposit held with a bank	4.4.2024
Service Agreement including addenda	Using the AFM intranet application	1.1.2024

#### 4.2. Between UCB CS and **UniCredit Bank Austria AG**, Rothschildplatz 1, 1020 Vienna, Republic of Austria

Name of the contract	Subject of the contract	Closure date
Subcustody Agreement	Securities administration and custody (branch in Slovakia)	24.11.1995
Subcustody Agreement	Custody, administration and settlement of securities	1.8.1997
Brokerage Agreement	Securities trading	2.1.2002
ISDA Master Agreement	Master agreement for derivatives trading on the financial market	24.5.2012
Consultancy Service Agreement	Learning and Development Consultancy Services in the area of special professional skills, soft skills training and development and talent management	2012
Agreement on reporting to a trade repository in accordance with Art.9 EMIR „Reporting SLA“	Compliance with EMIR reporting obligations	24.3.2014
Swapclear Dealer Clearing Agreement	Contract for the settlement of swaps with central counterparties	7.7.2014
Subcustody Agreement	Management and custody of foreign securities	10.11.2014
Personal Data Processing Agreement	Agreement on processing of personal data in connection with the reconciliation of OTC derivatives under contract No. SML 200029	22.9.2020
Service Contract No. SML 200029	OTC Derivatives Reconciliation Contract	22.9.2020
Subcustody Agreement	Custody, administration and settlement of securities (Austria vs. Czech rep)	9.4.1996
Service level agreement	Service level agreement for CZ market	6.7.2023
Service level agreement	Service level agreement for Austria market and HUB	12.3.2021
Service level agreement	Service level agreement for Austria market and HUB (branch in Slovakia)	26.3.2021
Service Level Agreement	Securities administration and custody (branch in Slovakia) (for the Slovak market)	1.10.2024

#### 4.3. Between UCB CS and **UniCredit Bank GmbH**, Arabellastrasse 12, 81925, Munich, Germany

Name of the contract	Subject of the contract	Closure date
Brokerage agreement	Procurement of purchases and sales of foreign securities for the Bank's clients	6.7.2009
ISDA Master Agreement	Master agreement for derivatives trading on the financial market	3.3.2010
Master Agreement – Global Debt Capital Markets	Terms of cooperation between the two banks on euro bond issues by clients.	30.6.2011
Subcustody Agreement	Custody, administration and settlement of securities (London office)	17.5.2012
Agreement on reporting to a trade repository in accordance with Art.9 EMIR	Compliance with EMIR reporting obligations	20.3.2014
Distribution agreement	Distribution of investment instruments issued by UniCredit Bank GmbH through the bank	10.4.2014
Agreement on reporting to a trade repository in accordance with Art.9 EMIR	Compliance with EMIR reporting obligations	15.4.2014
Agreement	Distribution of investment instruments issued by UniCredit Bank GmbH through the bank using an electronic platform	3.11.2014
GMRA Master Agreement	Master agreement on granting a loan secured by the transfer of securities	21.9.2016
SLA Sophis „Risque“ Sub-Licensing Agreement	Support for the use of Murex and Sophis Risque software (for OTC derivatives)	16.9.2016
RET Service Level Agreement No 001	UCTrader trading platform for FX trades – cost sharing	29.3.2019
DPA – Consulting services in the field of methodical group management	DPA – Consulting services in the field of methodical group management (CZ+SK/SML_200940/)	25.11.2020
Framework Agreement	Framework agreement on the sale and purchase of receivables	17.12.2020
Mandate contract	Engagement of UniCredit Bank GmbH as arranger for the bond programme update (Frederick) and fee agreement for external legal counsel (White & Case).	9.6.2021
Cooperation Agreement for Equity Capital Markets	Cooperation in origination and execution of ECM transactions	11.2.2021
MarketAxess SI Determination	MarketAxess SI Determination (CZ+SK/SML_221277)	1.5.2022
Cash Pooling Engine administration and data processing services	Support for cash-pooling services	1.7.2022
Cooperation Agreement for Trading Services	Hedging of open market positions UCB CS	30.11.2022
Fund Brokerage Agreement	Procurement of purchases and sales of foreign collective investment securities for the Bank's clients	6.12.2021
Sub-Distribution Agreement	Distribution of foreign collective investment securities through a bank	6.12.2021



#### 4.4. Between UCB CS, **Unicredit S.p.A** and **UniCredit Bank Austria AG**

Name of the contract	Subject of the contract	Closure date
Agreement for data flow and reporting	Data flow and reporting agreement	24.1.2022

#### 4.5. Between UCB CS, **Unicredit S.p.A**, **UniCredit Bank GmbH** and **UniCredit Bank Austria AG**

Name of the contract	Subject of the contract	Closure date
UniCredit Group – Master Cost Sharing Agreement	Allocation of costs for seconded staff	19.5.2010

#### 4.6. Between UCB CS and **UniCredit Leasing CZ, a.s.**, ID: 15886492, Praha 4 – Michle, Želetavská 1525/1, Postal Code 14010

Name of the contract	Subject of the contract	Closure date
Contract on the owner's account and administration of securities no. 99100061	Maintenance of securities owner's account, administration and custody of securities	27.7.2006
Trade cooperation agreement	Business cooperation between the bank and UniCredit Leasing	1.7.2010
Contract for the lease of non-residential premises	Lease of premises in building no. 545, Divadelní 2, Brno	30.5.2013
Contract for the right to the position for the logo	Use of the position for the logo on the building No. 1525, Želetavská 1, Prague 4	3.6.2013
Sublease agreement for business premises	Sublease of space used for business in building no. 3348, 28. října 65, Ostrava	1.3.2014
Contract for the provision of services and the contract of assignment, including amendments	UCL CZ outsourced some of its activities to the bank	6.8.2014
Contract for the lease of business premises	Lease of premises in building no. 28, Široká 5, Liberec	28.7.2015
Sublease agreement for business premises	Sublease of business space in building no. 457, 28.října 15, Olomouc	29.3.2016
Sublease agreement for business premises	Sublease of business space in building no. 36, Revoluční 2, Chomutov	24.1.2017
Sublease agreement for business premises	Sublease of space used for business in building No. 1222 Masarykovo náměstí, Jihlava	26.6.2019
Sublease agreement for business premises	Sublease of business space in building no. 892, Zeyerova 7, Karlovy Vary	1. 12.2020
Contract on the terms and conditions of consumer credit intermediation	Terms and conditions of mediation of consumer credit between UCL CZ and UCB	18.12.2020
Risk Models Development Service Agreement	Providing Risk Models Development	1.1.2021
Promissory note programme agreement	Acquisition of the establishment of a bill of exchange programme by UCB CS	9.11.2021
Contract for the administration of the exchange rate programme	Administration of bills of exchange issued under the bill of exchange programme by UCB CS	9.11.2021
Command agreement for the establishment of the bond programme and the procurement of bonds issued under the bond programme	Acquisition by UCB CS of the establishment of the bond programme and the issues issued under the programme	9.11.2021
Contract for the management of emissions and procurement of payments	Administration of bond issues issued under the bond programme by UCB CS	9.11.2021
Agreement on the deposit of the collection bond and keeping records of the owners of shares in the collection bond in a separate register of investment instruments	Services of depositing the collection bond and keeping records of the owners of shares on it by UCB CS	9.11.2021
Underwriting and Purchase Agreement	Underwriting of bond issues issued under the bond programme by UCB CS	9.11.2021
Financial Market Trading Master Agreement	Trading on the financial market	7.2.2014
Sublease agreement for business premises	Sublease of business space in building No. 854, Ulrichovo náměstí, Hradec Králové	5.9.2023
Personal Data Processing Agreement	Processing of personal data by UCL CZ bank in connection with outsourcing	31.7.2024

#### 4.7. Between UCB CS and **UniCredit Leasing CZ, a.s.**, ID No: 15886492, Praha 4 – Michle, Želetavská 1525/1, Postcode 14010 and **UniCredit Fleet Management, s.r.o.**, ID No: 62582836, Praha 4 – Michle, Želetavská 1525/1, Postcode 14010

Name of the contract	Subject of the contract	Closure date
Cooperation agreement	Cooperation in the conclusion of loan agreements for the financing of motor vehicles	20.7.2020

4.8. Between UCB CS and **UniCredit Factoring Czech Republic and Slovakia**, ID No.: 152 72 028, Praha 4 – Michle, Želetavská 1525/1, Postal Code: 14000

Name of the contract	Subject of the contract	Closure date
Financial Market Trading Master Agreement	Trading on the financial market	21.1.2015
Contract for the right to the position for the logo	Placing the light logo on the Philadelphia building	21.1.2016
Service contract and command contract	Provision of services by the bank	4.1.2016
Sublease agreement	Sublease of office space and parking spaces in the Philadelphia building	13.11.2020
Zero Balancing Master Agreement	Zero Balancing	25.11.2020
Zero Balancing Participating Agreement	Zero Balancing	25.11.2020
Contract for electronic trading on the foreign exchange market	Facilitation of currency and selected investment instrument trades through the UC Trader platform	28.7.2022
Agreement on mutual mediation of business cases	Mutual mediation of business cases	2.10.2023

4.9. Between UCB CS and **UniCredit Leasing Slovakia, a.s.**, ID No: 35 730 978, Šancová 1/A, Bratislava 814 99, Slovak Republic

Name of the contract	Subject of the contract	Closure date
Cooperation agreement	Cooperation of the bank with UniCredit Leasing	1.7.2011
Lease agreement for non-residential premises No. 214/3563/2012	Rental of non-residential premises in Žilina on the National Street	15.6.2012
Service contract and command contract	UCL SK outsourced some of its activities to the bank	6.8.2014
Personal Data Processing Agreement	Processing of personal data by UCL SK bank in connection with outsourcing	6.8.2014
Contract of lease of non-residential premises dated 31.10.2014	Lease of non-residential premises at Šancova 1/A BA (from 1.11.2014)	31.10.2014
Contract for the lease of non-residential premises	Lease of non-residential premises Svätoplukova Street in Bratislava	1.8.2016
Contract for the lease of non-residential premises	Lease of non-residential premises on Štefánikova Street in Trnava	15.1.2017
Sublease agreement for non-residential premises	Sublease of non-residential premises on Hlavná Street in Dunajská Streda	1.1.2019
Sublease agreement for non-residential premises	Sublease of non-residential premises at ul. M.R. Štefánika in Nové Zámky	1.09.2023
Sublease agreement for non-residential premises	Sublease of non-residential premises on nám. S. Anna in Trenčín	15.1.2017
Sublease agreement for non-residential premises	Sublease of non-residential premises on Garbiarska Street in Liptovský Mikuláš	15.1.2017
Sublease agreement for non-residential premises	Sublease of non-residential premises in Poprad on Popradskom nábreží 18 (contract valid from 1.5.2019)	12.4.2019
Contract for the lease of non-residential premises	Lease of non-residential premises in Zvolen on nám. SNP 50	1.1.2019
Contract of lease non-residential premises	Rental of non-residential premises in Nitra on Štefánikova Street	8.4.2020
Contract for the lease of non-residential premises	Rental of non-residential premises in Košice on Roosevelt Street	30.6.2020
Promissory note programme agreement	Acquisition of the establishment of a bill of exchange programme by UCB CS	9.11.2021
Contract for the administration of the exchange rate programme	Administration of bills of exchange issued under the bill of exchange programme by UCB CS	9.11.2021
Command agreement for the establishment of the bond programme and the procurement of bonds issued under the bond programme	Acquisition by UCB CS of the establishment of the bond programme and the issues issued under the programme	9.11.2021
Contract for the management of emissions and procurement of payments	Administration of bond issues issued under the bond programme by UCB CS	9.11.2021
Agreement on the deposit of the collection bond and keeping records of the owners of shares in the collection bond in a separate register of investment instruments	Services of depositing the collection bond and keeping records of the owners of shares on it by UCB CS	9.11.2021
Underwriting and Purchase Agreement	Underwriting of bond issues issued under the bond programme by UCB CS	9.11.2021
Sublease agreement for non-residential premises	Sublease of non-residential premises in Prešov on Main Street	1.1.2021
Treasury Master Agreement	Trading on the financial market	10.12.2019

4.10. Between UCB CS and **UniCredit Leasing Slovakia, a.s.**, ID No: 35 730 978, Šancová 1/A, Bratislava 814 99, Slovak Republic and **UniCredit Fleet Management, s.r.o.**, ID No: 35 820 381, Šancová 1/A Bratislava 814 99, Slovak Republic

Name of the contract	Subject of the contract	Closure date
Cooperation agreement	Cooperation in the conclusion of loan agreements for the financing of motor vehicles	30.7.2020

4.11. Between UCB CS and **UniCredit Bank Hungary Zrt.**, Szabadság tér 5-6, Budapest, 1054, Hungary

Name of the contract	Subject of the contract	Closure date
Subcustody Agreement	Custody, administration and settlement of securities	9.1.1999
Subcustody Agreement	Securities administration and custody (branch in Slovakia)	23.1.2003
ISDA Master Agreement	Master agreement for derivatives trading on the financial market	23.5.2007
Subcustody Agreement	Management and custody of foreign securities	21.12.2007
Subcustody Agreement	Custody, administration and settlement of securities	10.3.1998
Service Agreement	Consulting services related to custody, risk review, network management, coordination of custody projects	16.12.2020
Data Processing Agreement	Data processing, addendum to the Service Agreement of 16.12.2020	16.12.2020
Service level agreement	Service level agreement (for the Czech market)	20.6.2023
Service Level Agreement	Administration and custody of securities (for the Hungarian market)	21.11.2023
Service Level Agreement	Administration and custody of securities (for the Slovak market)	01.10.2024
Service Level Agreement	Service level agreement (for the Hungarian market)	13.11.2023

4.12. Between UCB CS and **UniCredit banka Slovenija d.d.**, Šmartinska cesta 140, 1000 Ljubljana, Slovenia

Name of the contract	Subject of the contract	Closure date
Subcustody Agreement	Management and custody of foreign securities	10.11.2014
Service Level Agreement	Securities administration and custody (branch in Slovakia)	26.10.2023

4.13. Between UCB CS and **UniCredit Broker, s.r.o.**, ID No: 35 800 348, Šancová 1/A, Bratislava 814 99 Bratislava

Name of the contract	Subject of the contract	Closure date
Contract for the provision of services pursuant to Section 269(2) of the Commercial Code (Act No. 513/1991 Coll., as amended)	Contract for the provision of services – support activities performed by the Bank for UCBR in connection with the performance of financial intermediation in the field of insurance through UCBR's subordinate financial agents	1.1.2021
Personal Data Processing Agreement	Personal Data Processing Agreement	1.1.2021

4.14. Between UCB CS and **UniCredit Fleet Management, s.r.o.**, ID No.: 62582836, Praha 4 – Michle, Želetavská 1525/1, Postal Code 14010

Name of the contract	Subject of the contract	Closure date
Framework contract for vehicle rental	Determination of framework conditions for the conclusion of individual Lease Agreements and agreement on the change of SLA	4.3.2013
Contract for the lease of a means of transport	Vehicle lease contracts – 311 pcs	Contracts valid in 2024

4.15. Between UCB CS and **UniCredit Fleet Management, s.r.o.**, ID No.: 35 820 381, Šancová 1/A Bratislava 814 99, Slovak Republic

Name of the contract	Subject of the contract	Closure date
Operating lease agreement	Terms and conditions for operating leases of motor vehicles	30.8.2007
Contract for the lease of a means of transport	Vehicle lease contracts – 89 pcs	Contracts valid in 2024

4.16. Between UCB CS and **Schoellerbank AG**, Renngasse 3, Vienna, Austria

Name of the contract	Subject of the contract	Closure date
Referral Agreement	Offering and arranging Schoellerbank services through UCB CS	1.9.2022

4.17. Between UCB CS and **Structured Invest S.A.**, 8-10, rue Jean Monnet, L-2180 Luxembourg, Luxembourg

Name of the contract	Subject of the contract	Closure date
Contact Bank Agreement	Provision of the activities of the contact point – contact bank for onemarkets funds in the Czech Republic and the Slovak Republic	7.6.2023

4.18. Between UCB CS and **UniCredit Services GmbH**, Rothschildplatz 4, 1020 Vienna, Austria

Name of the contract	Subject of the contract	Closure date
Service Agreement	Infragroup Outsourcing Service Agreement covering implementation of IT projects managed on the basis of i) Waterfall method and ii) Agile method (CZ) (ORDER No. 2023_20593)	1.6.2024
Service Agreement	Infragroup Outsourcing Service Agreement covering the implementation of IT projects managed on the basis of i) Waterfall method and ii) Agile method (SK) ORDER No. 2023_20594)	1.6.2024

4.19. Between UCB CS and **UniCredit Bank GmbH, London Branch**, London, 120 London wall, United Kingdom

Name of the contract	Subject of the contract	Closure date
Process Agent Letter	Appointment of UniCredit Bank GmbH, London Branch as agent to receive all correspondence in respect of legal proceedings before the English courts in connection with the Settlement Agreement between UCB CS and Citibank, N.A., London Branch, entered into on 19 November 2021.	9.11.2021

4.20. Between UCB CS and **UniCredit Bulbank AD** Sofia, 7 Sveta Nedelya Sq, Bulgaria

Name of the contract	Subject of the contract	Closure date
Subcustody Agreement	Custody, administration and settlement of securities	25.11.2015
Service level agreement	Service level agreement (Bulgarian market)	6.4.2021

4.21. Between UCB CS and **UniCredit Leasing CZ**, a.s. and UniCredit Leasing Slovakia, a.s.

Name of the contract	Subject of the contract	Closure date
Cost sharing agreement incl. amendments	Using the AFM intranet application	1.2.2024

4.22. In addition to the above-mentioned contracts, other contracts were in force between UCB CS and certain Group companies in the last financial year, but these are subject to bank secrecy. These agreements concern interbank, derivatives and other banking transactions, and UCB CS cooperated with these companies in the issuance of bonds, as well as concluding client transactions (credit cards, current accounts, deposit products, cash payments, etc.) on normal market terms. In the context of normal banking relationships, some of UCB CS's credit transactions are secured by risk participation agreements concluded with UniCredit S.p.A., UniCredit Bank Austria AG and UniCredit Bank GmbH or by bank guarantees provided by these companies. Within the Group, credit products and guarantees are also provided by UCB CS under normal terms and conditions.

**5. Actions taken in the last financial year that were taken at the instigation of or in the interest of the controlling person or persons controlled by it, if such actions involved assets that exceeded 10% of the equity of the controlled person as determined by the most recent financial statements,**

The limit of 10% of own of UCB CS's equity, which according to the financial statements at the end of 2024 amounted to EUR 78 889 million CZK, was exceeded during 2024 by financing provided by UCB CS to UniCredit Leasing CZ, a.s. and UniCredit Leasing Slovakia, a.s. (and their subsidiaries).

During the year 2024, the controlling person and/or its controlled persons deposited in their accounts held with UCB CS that exceeded the threshold of 10% of UCB CS's equity. These deposits were made on terms and conditions prevailing in the interbank market for the currency in question and maturity.

**6. Assessment of whether the controlled person has suffered a loss and assessment of its compensation pursuant to Sections 71 and 72 of the Civil Code**

The Board of Directors of UCB CS declares that no damage has been caused to UniCredit Bank Czech Republic and Slovakia, a.s. as a result of the concluded agreements and measures.

**7. Evaluation of advantages and disadvantages arising from relationships between persons pursuant to Section 82(1) of the CPL**

Benefits of integrating UniCredit bank CS into the UniCredit Group structure:

Internationally known brand. Sharing of IT infrastructure, development, maintenance and security within the UniCredit Group and the resulting economies of scale in these areas:

Sharing the know-how of a leading European bank and one of the most active and important banks in Central and Eastern Europe in the commercial area, i.e. in product development, business innovation, digitalisation and sales network management.

Opportunity to join UniCredit Group's growth initiatives, which provide UCB CS with support and know-how in building a strong position as a universal bank in the Czech and Slovak markets.

Development of human resources connected with sharing UniCredit Group's experience in European markets, the possibility for employees to gain practical experience in other banks or in the management structures of the holding company, career opportunities within the UniCredit Group.

Opportunity to use UniCredit Group's sponsorship and marketing at European level in local conditions.

Participation of UniCredit CS in a sophisticated system of servicing international clients through International desk / International clients units in individual countries and mutual cooperation of these units in servicing and addressing the needs of international clients.

Possible disadvantages of the integration of UniCredit bank CS into the UniCredit Group include:

The complex organisational structure of a multinational banking group.


Possible cross-country influences, especially in the area of UniCredit's reputation and brand perception (Cross-border sentiment).

More complex approval and management of IT projects in a multinational, multi-bank financial group environment.

In assessing the overall impact of the inclusion of UniCredit bank CS in the UniCredit Group, the benefits resulting from this position are significantly outweighed. The bank actively avoids the potential disadvantages mentioned above both by operational measures in the local management of UCB CS and by communicating and building a strong brand locally.

In Prague on 25 march 2025

For the Board of Directors of the company  
UniCredit Bank Czech Republic and Slovakia, a.s.



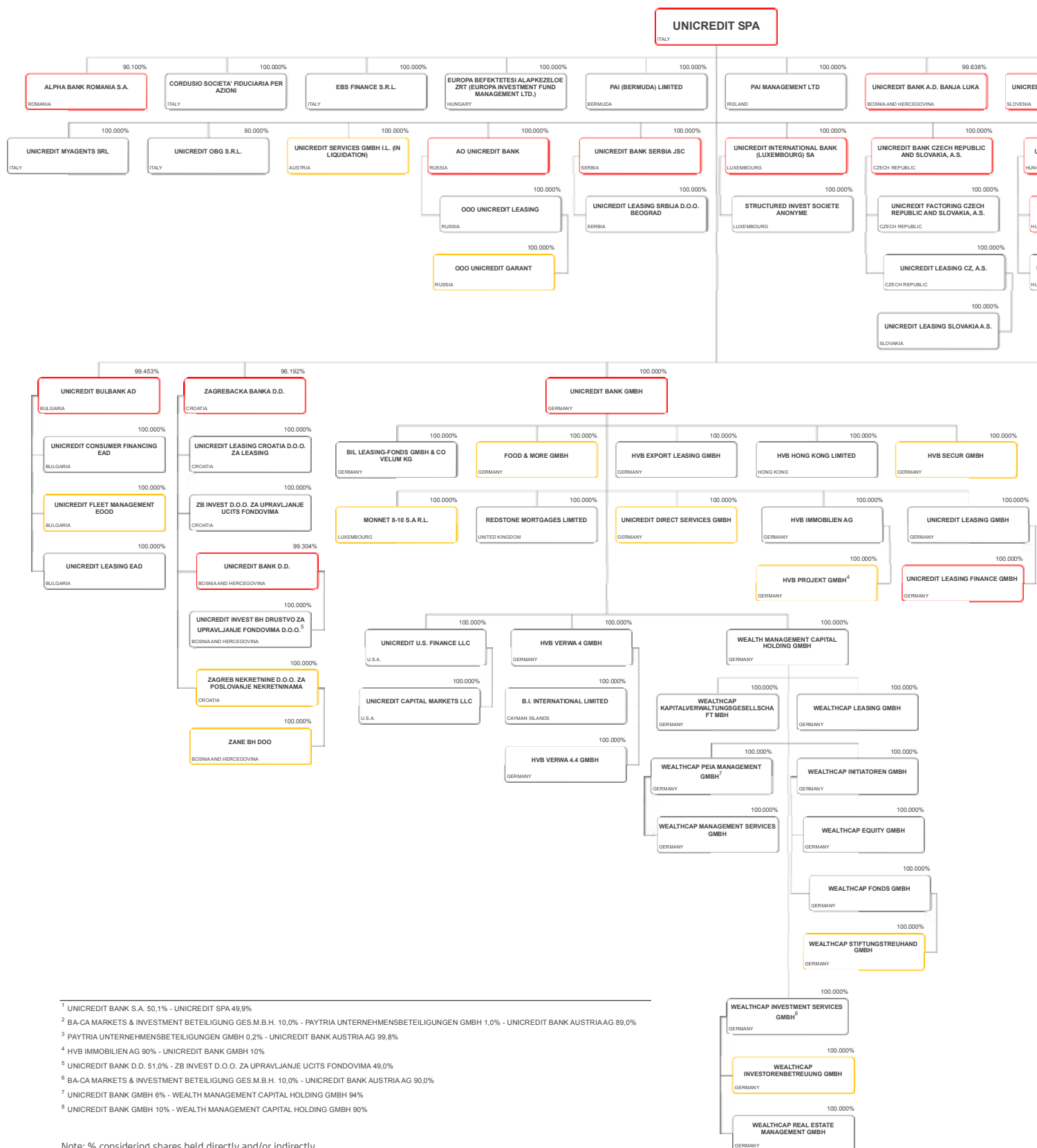
Mgr. Jakub Dušilek, MBA  
Chairman of the Board  
of Directors



Maria-Georgia Sălăgean  
Member of the Board  
of Directors

**Attachments:** 1. Organisational chart of UniCredit Group

# Structure of UniCredit Group



<sup>1</sup> UNICREDIT BANK S.A. 50.1% - UNICREDIT SPA 49.9%

<sup>2</sup> BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H. 10.0% - PAYTRIA UNTERNEHMENS BETEILIGUNGEN GMBH 1.0% - UNICREDIT BANK AUSTRIA AG 89.0%

<sup>3</sup> PAYTRIA UNTERNEHMENS BETEILIGUNGEN GMBH 0.2% - UNICREDIT BANK AUSTRIA AG 99.8%

<sup>4</sup> HVB IMMOBILIEN AG 90% - UNICREDIT BANK GMBH 10%

<sup>5</sup> UNICREDIT BANK D.D. 51.0% - ZB INVEST D.O.O. ZA UPRAVLJANJE UCITS FONDovima 49.0%

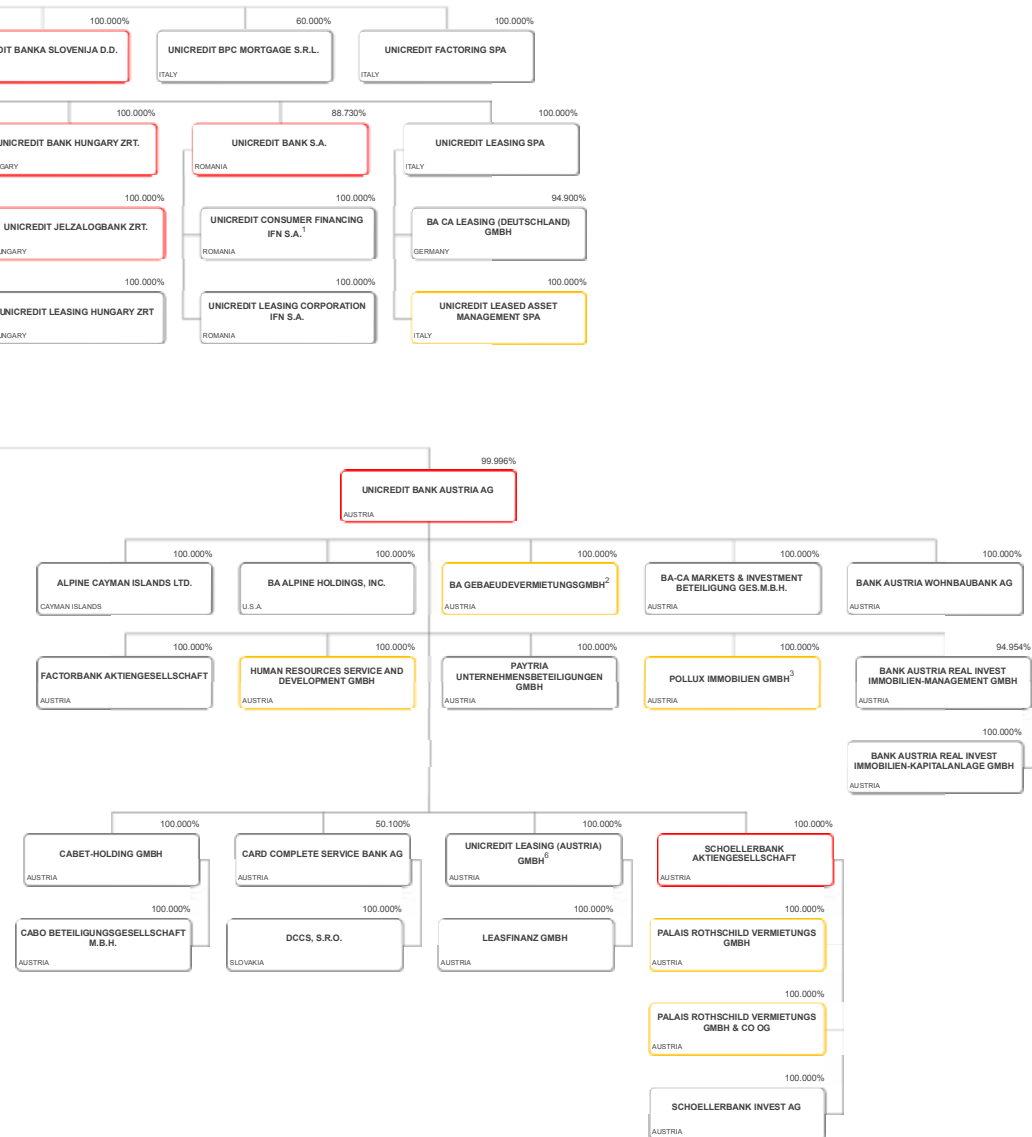
<sup>6</sup> BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H. 10.0% - UNICREDIT BANK AUSTRIA AG 90.0%

<sup>7</sup> UNICREDIT BANK GMBH 6% - WEALTH MANAGEMENT CAPITAL HOLDING GMBH 94%

<sup>8</sup> UNICREDIT BANK GMBH 10% - WEALTH MANAGEMENT CAPITAL HOLDING GMBH 90%

Note: % considering shares held directly and/or indirectly

Date: 01/01/2025



Companies belonging to the Banking Group





# List of Branches

## Czech Republic

### RETAIL BRANCHES UNICREDIT BANK

#### BEROUN

Husovo nám. 11/83  
266 01 Beroun  
tel.: +420 221 210 035

#### ČESKÉ BUDĚJOVICE

nám. Přemysla Otakara II. č. 122/35  
370 21 České Budějovice  
tel.: +420 221 210 035

#### KLATOVY

Kpt. Jaroše 47  
339 01 Klatovy  
tel.: +420 221 210 035

#### PÍSEK

Alšovo náměstí 16  
397 01 Písek  
tel.: +420 221 210 035

#### PLZEŇ

nám. Republiky/Riegrova 1  
301 00 Plzeň  
tel.: +420 221 210 035

#### PRAHA ADRIA

Jungmannova 31  
110 00 Praha 1  
tel.: +420 221 210 035

#### PRAHA ANDĚL

Štefánikova 284/2  
150 00 Praha 5  
tel.: +420 221 210 035

#### PRAHA BUDĚJOVICKÁ

Olbrachtova 1946/64  
140 00 Praha 4  
tel.: +420 221 210 035

#### PRAHA EDEN

Vršovická 1398/70  
101 00 Praha 10  
tel.: +420 221 210 035

#### PRAHA FILADELFIE

Želetavská 1525/1  
140 00 Praha 4  
tel.: +420 221 210 035

#### PRAHA FLÓRA

Vinohradská 151  
130 00 Praha 3  
tel.: +420 221 210 035

#### PRAHA HŮRKA

Petržilkova 1435  
158 00 Praha 13  
tel.: +420 221 210 035

#### PRAHA VALDEK

náměstí Míru 1  
120 00 Praha 2  
tel.: +420 221 210 035

#### PŘÍBRAM

Náměstí T. G. Masaryka 144  
261 01 Příbram  
tel.: +420 221 210 035

#### STRAKONICE

Lidická 207  
386 01 Strakonice  
tel.: +420 221 210 035

#### TÁBOR

třída 9. května 2886  
390 02 Tábor  
tel.: +420 221 210 035

#### ČESKÁ LÍPA

Jindřicha z Lipé 108  
470 01 Česká Lípa  
tel.: +420 221 210 035

#### DĚČÍN

Husovo nám. 74/5  
405 02 Děčín  
tel.: +420 221 210 035

#### CHEB

Svobody 520/3  
350 02 Cheb  
tel.: +420 221 210 035

#### CHOMUTOV

Revoluční 36 / Husovo náměstí  
430 01 Chomutov  
tel.: +420 221 210 035

#### KARLOVY VARY

Zeyerova 892/7  
360 01 Karlovy Vary  
tel.: +420 221 210 035

#### KLADNO

Havířská 96  
272 01 Kladno  
tel.: +420 221 210 035

#### LIBEREC MOSKEVSKÁ

Moskevská 638/8  
460 01 Liberec  
tel.: +420 221 210 035

#### MĚLNÍK

nám. Karla IV. 143  
276 01 Mělník  
tel.: +420 221 210 035

#### MLADÁ BOLESLAV

Českokobratrské nám. 1321  
293 01 Mladá Boleslav  
tel.: +420 221 210 035

#### MOST

Budovatelů 295  
434 01 Most  
tel.: +420 221 210 035

#### PRAHA BANKOVNÍ DŮM

náměstí Republiky 3a  
110 00 Praha 1  
tel.: +420 221 210 035

#### PRAHA KARLÍN

Thámová 84/23  
186 00 Praha 8  
tel.: +420 221 210 035

#### PRAHA KOBYLISY

Horňátecká 447/1  
180 00 Praha 8  
tel.: +420 221 210 035

**PRAHA VÍTEZNÉ NÁMĚSTÍ**

Vítězné náměstí 10  
160 00 Praha 6  
tel.: +420 221 210 035

**PRAHA VYSOČANY**

Freyova 945/35  
190 00 Praha 9  
tel.: +420 221 210 035

**TEPLICE**

náměstí Svobody 40/1  
415 01 Teplice  
tel.: +420 221 210 035

**ÚSTÍ NAD LABEM**

Mírové nám. 35A  
400 01 Ústí/ Labem  
tel.: +420 221 210 035

**BENEŠOV**

Masarykovo Náměstí/Řeznická 228  
256 01 Benešov  
tel.: +420 221 210 035

**BLANSKO**

Wanklovo nám. 1437/4  
678 01 Blansko  
tel.: +420 221 210 035

**BRNO DIVADELNÍ**

Divadelní 2  
601 57 Brno  
tel.: +420 221 210 035

**BRNO KRÁLOVO POLE**

Palackého třída 721/78  
612 00 Brno  
tel.: +420 221 210 035

**BRNO TRINITI**

Úzká 488/8  
602 00 Brno  
tel.: +420 221 210 035

**BŘECLAV**

Ul. 17. listopadu 3  
690 02 Břeclav  
tel.: +420 221 210 035

**HAVLÍČKUV BROD**

Havlíčkovo náměstí 158  
580 01 Havlíčkův Brod  
tel.: +420 221 210 035

**JIHLAVA**

Masarykovo náměstí 54  
586 01 Jihlava  
tel.: +420 221 210 035

**JINDŘICHUV HRADEC**

Nám. Míru 164,  
377 01 Jindřichův Hradec  
tel.: +420 221 210 035

**KOLÍN**

Pražská 167  
280 02 Kolín  
tel.: +420 221 210 035

**KROMĚŘÍŽ**

Vodní/Farní 95  
767 01 Kroměříž  
tel.: +420 221 210 035

**KUTNÁ HORA**

Šultysova 153  
284 01 Kutná Hora  
tel.: +420 221 210 035

**TŘEBÍČ**

Komenského nám. 1045/18  
674 01 Třebíč  
tel.: +420 221 210 035

**VYŠKOV**

Masarykovo nám. 145/30  
685 01 Vyškov  
tel.: +420 221 210 035

**ZNOJMO**

Horní nám. 139  
669 02 Znojmo  
tel.: +420 221 210 035

**ŽDÁR NAD SÁZAVOU**

Náměstí Republiky 145  
591 01 Žďár nad Sázavou  
tel.: +420 221 210 035

**FRÝDEK-MÍSTEK**

Pivovarská 2340  
738 01 Frýdek-Místek  
tel.: +420 221 210 035

**KARVINÁ**

třída Osvobození 1720/11  
735 06 Karviná  
tel.: +420 221 210 035

**HAVÍŘOV**

Československé armády 195/1a  
736 01 Havířov  
tel.: +420 221 210 035

**HRADEC KRÁLOVÉ**

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500 02 Hradec Králové  
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**NÁCHOD**

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547 01 Náchod  
tel.: +420 221 210 035

**NOVÝ JIČÍN**

Ul. 5. května 18  
741 01 Nový Jičín  
tel.: +420 221 210 035

**OLOMOUČ**

28. října 15  
772 00 Olomouc  
tel.: +420 221 210 035

**OPAVA**

Ostrožná 18  
746 01 Opava 1  
tel.: +420 221 210 035

**OSTRAVA**

28. října 3348/65  
702 00 Ostrava  
tel.: +420 221 210 035

**OSTRAVA PORUBA**

Hlavní tř. 583/99  
708 00 Ostrava Poruba  
tel.: +420 221 210 035

**PARDOBICE**

třída Míru 92  
530 01 Pardubice  
tel.: +420 221 210 035

**PROSTĚJOV**

náměstí T. G. Masaryka 8  
796 01 Prostějov  
tel.: +420 221 210 035

**PŘEROV**

Čechova 37  
750 02 Přerov  
tel.: +420 221 210 035

**ŠUMPERK**

Náměstí Svobody 2840  
787 01 Šumperk  
tel.: +420 221 210 035

**TŘINEC**

Nám. Svobody 527  
739 61 Třinec  
tel.: +420 221 210 035

**VALAŠSKÉ MEZIŘÍČÍ**

Náměstí 90/23  
757 01 Valašské Meziříčí  
tel.: +420 221 210 035

**ZLÍN BARTOŠOVA**

Bartošova 5532  
760 01 Zlín  
tel.: +420 221 210 035

**EXPRES DVŮR KRÁLOVÉ N. L.**

Revoluční 79  
544 01 Dvůr Králové nad Labem  
tel.: +420 602 89 42 51

**EXPRES SLANÝ**

Masarykovo nám. 142/17  
274 01 Slaný  
tel.: +420 602 89 44 01

**EXPRES BRANDÝS NAD LABEM**

Petra Jilemnického 15/4  
250 01 Brandýs nad Labem  
tel.: +420 602 89 43 42

**EXPRES ŘÍČANY**

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251 01 Říčany  
tel.: +420 602 89 43 03

**EXPRES ROUDNICE NAD LABEM**

Karlovo náměstí 24  
413 01 Roudnice nad Labem  
tel.: +420 602 89 42 28

**EXPRES KRALUPY NAD VLTAVOU**

Náměstí J. Seiferta 698  
278 01 Kralupy nad Vltavou  
tel.: +420 602 89 43 37

**EXPRES PODĚBRADY**

Lázeňská 1458  
290 01 Poděbrady  
tel.: +420 602 89 44 46

**EXPRES LYSÁ NAD LABEM**

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289 22 Lysá nad Labem  
tel.: +420 602 89 42 96

**EXPRES VRCHLABÍ**

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543 01 Vrchlabí  
tel.: +420 602 89 42 49

**EXPRES DOBŘÍŠ**

Plukovníka B. Petroviče 219  
263 01 Dobříš  
tel.: +420 602 89 44 90

**EXPRES LOVOSICE**

Osvoboditelů 1228  
410 02 Lovosice  
tel.: +420 602 89 43 95

**EXPRES ČÁSLAV**

Dusíkova 78  
286 01 Čáslav  
tel.: +420 602 89 44 11

**EXPRES JIČÍN**

Husova 60  
506 01 Jičín  
tel.: +420 602 89 42 84

**EXPRES RAKOVNÍK**

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269 01 Rakovník  
tel.: +420 602 89 43 48

**EXPRES MARIÁNSKÉ LÁZNĚ**

Hlavní 279  
353 01 Mariánské Lázně  
tel.: +420 602 89 42 95

**EXPRES NERATOVICE**

28. října 1510  
277 11 Neratovice  
tel.: +420 602 89 43 02

**EXPRES JABLONEC NAD NISOU**

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466 01 Jablonec nad Nisou  
tel.: +420 602 89 42 75

**EXPRES TRUTNOV**

Krkonošovo náměstí 133  
541 01 Trutnov  
tel.: +420 602 89 42 40

**EXPRES LITOMĚŘICE**

Michalská 40/2  
412 01 Litoměřice  
tel.: +420 602 89 44 92

**EXPRES BOSKOVICE**

Komenského 341/9  
680 01 Boskovice  
tel.: +420 602 89 42 74

**BUSINESS VENUES EXPRES****EXPRES TURNOV**

Havlíčkovo náměstí 32  
511 01 Turnov  
tel.: +420 602 89 42 97

**EXPRES NYMBURK**

Palackého Tř. 2553  
288 02 Nymburk  
tel.: +420 602 89 42 68

**EXPRES BOHUMÍN**

tř. Dr. E. Beneše 231  
735 81 Bohumín  
tel.: +420 602 89 44 57

**EXPRES HODONÍN**

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695 01 Hodonín  
tel.: +420 602 89 44 62

**EXPRES KYJOV**

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697 01 Kyjov  
tel.: +420 602 89 44 87

**EXPRES SVITAVY**

Náměstí Míru 133/70  
568 02 Svitavy  
tel.: +420 602 89 44 71

**EXPRES ZÁBŘEH NA MORAVĚ**

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789 01 Zábřeh na Moravě  
tel.: +420 602 89 42 32

**EXPRES UHERSKÝ BROD**

Masarykovo náměstí 101  
688 01 Uherský Brod  
tel.: +420 602 89 44 56

**EXPRES KRNOV**

Zámecké náměstí 1/13  
794 01 Krnov  
tel.: +420 602 89 44 50

**EXPRES LANŠKROUN**

Nám. J. M. Marků 52  
563 01 Lanškroun  
tel.: +420 602 89 43 12

**EXPRES ČESKÁ TŘEBOVÁ**

Staré náměstí 16  
560 02 Česká Třebová  
tel.: +420 602 89 43 08

**EXPRES BRNO – VINOHRADY**

Pálavské náměstí 4246/5  
628 00 Brno Vinohrady  
tel.: +420 602 89 44 60

**EXPRES UHERSKÉ HRADIŠTĚ**

Palackého náměstí 175  
686 01 Uherské Hradiště  
tel.: +420 602 89 44 82

**BUSINESS VENUES EXPRES PARTNERS****EXPRES PARTNERS ČESKÝ KRUMLOV**

Urbinská 182  
381 01 Český Krumlov  
tel.: +420 702 064 458

**EXPRES PARTNERS RUMBURK**

Třída 9. května 30  
408 01 Rumburk  
tel.: +420 702 016 249

**EXPRES PARTNERS ROKYCANY**

Palackého 11  
337 01 Rokycany  
tel.: +420 601 393 829

**EXPRES PARTNERS HORNÍ POČERNICE**

Náchodská 444/145  
193 00 Horní Počernice  
tel.: +420 702 175 419

**EXPRES PARTNERS  
NOVÉ MĚSTO NAD METUJÍ**

T. G. Masaryka 64  
549 01 Nové Město nad Metují  
tel.: +420 797 601 396

**EXPRES PARTNERS PŘÍBRAM**

Náměstí T. G. Masaryka 157  
261 01 Příbram  
tel.: +420 731 642 233

**EXPRES PARTNERS OTROKOVICE**

tř. Osvobození 154  
765 02 Otrokovice  
tel.: +420 739 398 384

**EXPRES PARTNERS CHRUDIM**

Masarykovo náměstí 32  
537 01 Chrudim  
tel.: +420 704 600 769

**EXPRES PARTNERS ČESKÝ TĚŠÍN**

Nádražní 207  
737 01 Český Těšín  
tel.: +420 737 160 503

**EXPRES PARTNERS HRANICE**

Třída 1. máje 1260  
753 01 Hranice  
tel.: +420 725 323 807

**EXPRES PARTNERS ROŽNOV**

Bayerova 53  
756 61 Rožnov pod Radhoštěm  
tel.: +420 737 128 382

**EXPRES PARTNERS ŠTERNBERK**

Radniční 87/4  
785 01 Šternberk  
tel.: +420 704 195 538

**EXPRES PARTNERS KUŘIM**

Tyršova 84  
664 34 Kuřim  
tel.: +420 607 021 246

**EXPRES PARTNERS MORAVSKÁ TŘEBOVÁ**

Cihlářova 5/15  
571 01 Moravská Třebová  
tel.: +420 775 403 002

**EXPRES PARTNERS BRNO-BYSTRC**

Kubičkova 1080/6  
635 00 Brno-Bystrc  
tel.: +420 722 000 029

**EXPRES PARTNERS FRÝDEK-MÍSTEK**

tř. T. G. Masaryka 603  
738 01 Frýdek-Místek  
tel.: +420 734 641 962

**EXPRES PARTNERS  
BYSTRČE NAD PERNŠTEJNEM**

Masarykovo náměstí 53  
593 01 Bystřice nad Pernštejnem  
tel.: +420 564 034 322

**EXPRES PARTNERS BRNO-NOVÉ SADY**

Nové sady 988/2  
602 00 Brno-Nové Sady  
tel.: +420 731 099 648

**EXPRES PARTNERS OSTRAVA-PORUBA**

Hlavní třída 562/85  
708 00 Ostrava-Poruba  
tel.: +420 736 697 454

**EXPRES PARTNERS OLOMOUC**

Dolní náměstí 171/17  
779 00 Olomouc  
tel.: +420 734 226 822

**EXPRES PARTNERS ORLOVÁ**

Osvobození 828  
735 14 Orlová  
tel.: +420 733 180 060

**COMMERCIAL CENTERS****PRAHA – BANKOVNÍ DŮM**

náměstí Republiky 3a  
110 00 Praha 1

**PRAHA – FILADELFIE**

Želetavská 1525/1  
140 92 Praha 4

**BRNO**

Trnitá 491/3  
602 00 Brno

**ČESKÉ BUDĚJOVICE**

nám. Přemysla Otakara II. 122/35  
370 21 České Budějovice

**HRADEC KRÁLOVÉ**

Ulrichovo náměstí 854  
500 02 Hradec Králové

**CHOMUTOV**

Husovo náměstí / Revoluční 36  
430 01 Chomutov

**JIHLAVA**

Masarykovo náměstí 54  
586 01 Jihlava

**KARLOVY VARY**

Dr. Davida Bechera 26  
360 01 Karlovy Vary

**LIBEREC**

Široká 5/28  
460 01 Liberec

**OLOMOUC**

28. října 15  
772 00 Olomouc

**OSTRAVA**

28. října 3348/65  
702 00 Ostrava

**PARDUBICE**

Třída Míru 92  
530 01 Pardubice

**PLZEŇ**

Riegrova 1  
301 00 Plzeň

**ÚSTÍ NAD LABEM**

Mírové nám. 35A  
400 01 Ústí nad Labem

**ZLÍN**

Bartošova 5532  
760 01 Zlín

**Slovak Republic****RETAIL BRANCHES UNICREDIT BANK****HLOHOVEC**

M. R. Štefánika 4  
920 01 Hlohovec  
tel.: +421 2 69 20 20 96

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