2024

MONETA MONEY BANK

Annual financial report 2024

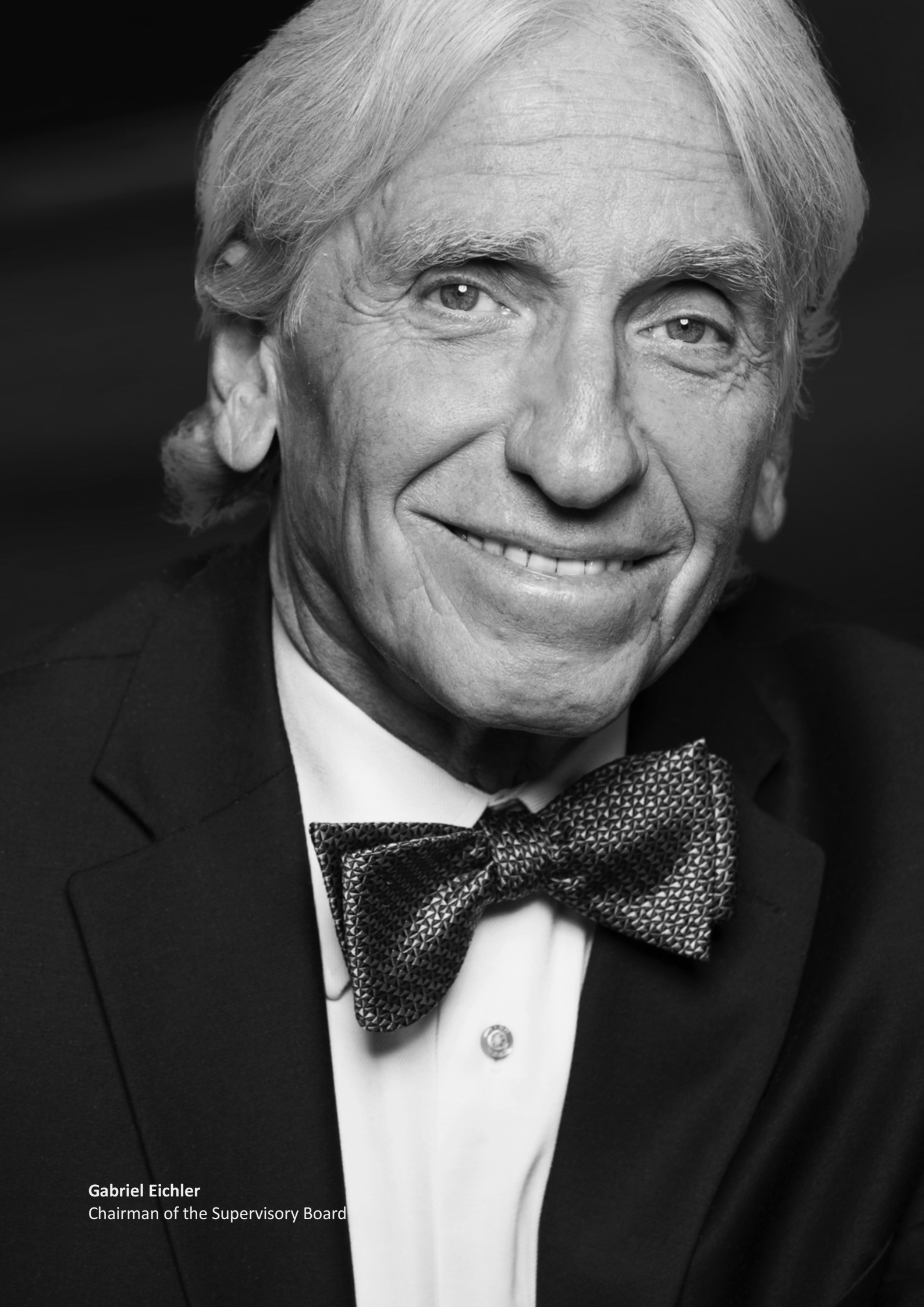
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Gabriel Eichler
Chairman of the Supervisory Board

LETTER FROM THE CHAIRMAN OF THE SUPERVISORY BOARD

Dear Shareholders,

Your Bank ended the year 2024 with excellent results and growth in a barely growing Czech economy.

MONETA Money Bank outperformed the early market guidance on every metric generating consolidated net profit of CZK 5.8 billion, a near 12 per cent increase on 2023. While both net interest income and fee income grew, the former by 4 per cent to CZK 8.9 billion and the latter considerably by 16.6 per cent to CZK 3.1 billion, resulting in operating income growth by more than 6 per cent to CZK 12.9 billion, the management kept operating expenses stable at CZK 5.7 billion.

This was underpinned by a solid, nearly 8 per cent growth in MONETA's deposit base to CZK 430 billion, its gross performing loan book was up by 4.5 per cent to CZK 276 billion and the balance sheet neared half a trillion Czech crowns. The recovery in MONETA's lending operations was balanced across both the commercial and retail businesses. Mortgage new volumes increased by 104.4 per cent, new loans to small business were up by 59.5 per cent, while new investment lending to businesses grew by 54.1 per cent.

MONETA's cost of risk was well managed in 2024, coming in at CZK 386 million, or 14 basis points against the average net loan portfolio. The non-performing loan ratio in 2024 was 1.3 per cent, a record low.

Moreover, MONETA's focus on liquidity and capital structure ensured that the Bank strengthened its capital position in 2024. A successful bond issue raised EUR 300 million to buttress the Bank's minimum requirement for own funds and eligible liabilities (MREL) position. The CNB's Supervisory Review and Evaluation Process (SREP) gave a positive assessment of MONETA and reduced the SREP capital requirement by 30 basis points to 10 per cent, effective 1 January 2025. MONETA comfortably met and exceeded all of its regulatory capital requirements with reported capital adequacy ratio of 18.25 per cent on a consolidated basis and MREL ratio at 26.99 per cent.

The Bank's robust capital position ensures the continuation of the high dividend payout ratio policy. In 2024 it was able to distribute CZK 6.1 billion to shareholders in two tranches of dividends totalling CZK 12 per share. The Management Board is proposing and the Supervisory Board supports a 2024 dividend of CZK 10 per share, a dividend payout ratio of 88 per cent from the 2024 consolidated net profit. The proposal will be put to MONETA's shareholders for approval at the annual General Meeting on 24 April 2025.

These results were achieved in a slow-growing Czech economy, with a CZK 271 billion budget deficit, which was above the government's original target partially due to the costs of the devastating floods that hit the country in September. Inflation fell from an average 10.7 per cent in 2023 to 2.4 per cent in 2024, allowing the CNB to reduce interest rates by a cumulative 300 basis points from December 2023 to December 2024, with an impact on interest income margins. On the other hand, continuing low unemployment positively impacts clients' behaviour and cost of risk.

MONETA maintained a leading role in digital banking in 2024. The award-winning Smart Banka mobile application is now MONETA's key client interaction platform. Digital channels accounted for a combined 1.5 million registered users in 2024, an increase of 7.3 per cent year-on-year, and they play an increasingly large role in both commercial and retail lending originations. Moreover, MONETA offers 41 products fully online. With more banking business conducted online and cyber-crime getting more sophisticated, MONETA pays considerable attention to, and invests in, its security systems and protocols.

GOVERNANCE

MONETA Money Bank has a two-tier corporate governance structure. The independent and non-executive Supervisory Board that I chair is primarily responsible for nominating and overseeing the Bank's Management Board, providing advice and guidance to the Management Board, and reviewing all of its key decisions and appointments. The Supervisory Board ensures that the Bank complies with all Czech and European regulatory requirements, that it adheres to best practices, and that the Bank's General Meetings are conducted properly and in accordance with protocol.

In 2024, the Bank convened two General Meetings. At the first one, held on 23 April, shareholders approved the 2023 financial results, the 2023 Remuneration Report and the appointment of Deloitte to conduct the statutory audit for 2024. Shareholders also approved the distribution of 2023 net profit via a dividend of CZK 9 per share, for a total amount of CZK 4.6 billion. The dividend was paid on 21 May 2024. This General Meeting was attended by 75 per cent of the shares entitled to vote. At the second General Meeting, held

on 19 November, 76 per cent of shareholders approved the distribution of an extraordinary dividend of CZK 3 per share, for a total amount of CZK 1.5 billion, which was paid on 17 December 2024.

The Supervisory Board has nine members, six of whom are appointed by shareholders and three elected by MONETA's employees. In September 2024, the terms of office of three Supervisory Board members expired: Messrs. Clare Ronald Clarke, Denis Arthur Hall and Michal Petrman. At the 19 November 2024 General Meeting, shareholders re-elected Mr. Clarke and Mr. Hall, and elected Mrs. Prokopcová to succeed Mr. Petrman. Mrs. Jirásková, a current member of the Supervisory Board, was elected as a new member of the Audit Committee and Mrs. Prokopcová as its Chair.

Following the resignation of two employee-elected members of the Supervisory Board, Mrs. Zuzana Filipová and Mrs. Jana Výbošťoková, the Supervisory Board accepted proposals by the Management Board to co-opt Mrs. Monika Kalivodová and Mrs. Linda Kavanová to the Supervisory Board. MONETA employees will have the opportunity to vote on their membership of the Supervisory Board at the next employee election, which will take place during the first half of 2025.

Current members of the Supervisory Board are thus Miroslav Singer (Vice-Chairman), Kateřina Jirásková, Zuzana Prokopcová, Clare Ronald Clarke and Denis Arthur Hall, the employee-elected Klára Escobar, and the co-opted employee members Monika Kalivodová and Linda Kavanová. The Supervisory Board has three committees, Nomination, Remuneration and Risk, whose Chairs and members are detailed in Chapter 4.11 of this Annual Financial Report.

Members of the Supervisory Board and its committees regularly engage with the Management Board for informal discussions. The Supervisory Board formally met six times in 2024. A crucial aspect of the Bank is its internal control systems, the functionality and efficiency of which were assessed by the Supervisory Board and were found to be effective. We also met to discuss MONETA's quarterly results, and the Bank's overall performance and position in the market in the context of the Czech, and broader European, macroeconomic environment.

Upon the proposal and recommendation of the Nomination Committee, the Supervisory Board in September 2024 elected Mr. Andrew John Gerber, MONETA's Chief Retail Banking Officer, to the Management Board for a four-year term. Mr. Gerber has been with MONETA since 2016. The Supervisory Board also followed the Nomination Committee's proposal and recommendation to extend the term of the Management Board's Vice-Chairman, Mr. Carl Normann Vökt, by a further four years effective from 28 January 2025.

RATINGS AND AWARDS

MONETA's performance was recognised by rating agencies, with a Moody's rating of A2 stable, and an AA rating from MSCI, which cited high standards of corporate governance and a rigorous approach to cyber security.

The Bank was once again honoured at the Czech Republic's prestigious annual Zlatá koruna (Gold Crown) financial industry awards, receiving nine awards, including four golds in the Entrepreneurs, Business Loan and Business Accounts categories, and for the fourth consecutive year, the Smart Banka mobile banking application received the People's Choice gold crown.

In the annual Visa Best Bank awards by the Czech Republic's leading economic newspaper, Hospodářské noviny, MONETA retained its silver ranking in the main category of Best Bank 2024, and was recognised as the most customer-friendly bank. MONETA also ranked among top ten most valuable Czech companies in a study carried out by Deloitte.

GUIDANCE AND OUTLOOK FOR 2025

MONETA Money Bank enters 2025 in good health. The Bank is well capitalised, profitable and very well managed. The Management Board of MONETA Money Bank has updated its guidance for 2025–2029, with consolidated net profit for the entire period of CZK 33.3 billion, including 2025 revised to CZK 6 billion to reflect the Bank's strategy of growing its lending activities while at the same time maintaining high liquidity and a good capital position.

MONETA bases its plans primarily on the CNB's forecasts for the Czech economy. The CNB is cautiously optimistic on economic growth, forecasting 2 per cent in 2025 and 2.4 per cent in 2026. Unemployment is expected to rise to 3 per cent but will remain below the European Union average. The central bank has indicated that it will adjust interest rates as inflation moves closer to its long-term target of 2 per cent. The last cut of 25 basis points to 3.75 per cent was in February 2025.

Caution is in order. The forecast should be viewed in the context of relative pessimism among our main trading partners, with no growth or indeed decline in Germany, and the uncertainty arising from the very activist new US administration. Traditional key industries, the automotive industry in particular, are facing serious challenges both in conversion to electro-mobility and competition from China. Large European economies

are facing problems in a number of sectors, Europe is showing signs of serious disunity and lethargy at a time of need for major improvements in competitiveness and military preparedness, while the US has moved towards aggressive activism in trade, military alliances and territorial claims, suggesting dramatic changes in world order.

Yours sincerely,



Gabriel Eichler
Chairman of the Supervisory Board
MONETA Money Bank, a.s.



Tomáš Spurný
Chairman of the Management Board

LETTER FROM THE CHAIRMAN OF THE MANAGEMENT BOARD

Dear Shareholders,

I am pleased to report that MONETA performed strongly throughout 2024, and has delivered a set of financial results that outperformed our market guidance. Our net profit for the year was CZK 5.8 billion, an increase of 11.7 per cent on 2023, and our operating income came in at CZK 12.9 billion, up by 6.3 per cent year-on-year.

The recovery in lending activity that we saw in the early months of 2024 continued throughout the year, which together with lower interest rates on deposits combined to underpin our net interest income of CZK 8.9 billion, an increase of 4 per cent on the previous year. Demand for credit and the repricing of our deposit products were both driven by the continuing decline in interest rates, with the Czech National Bank (CNB) delivering eight successive reductions in its key rate since December 2023 as inflation fell. As at the end of the year the two-week repo rate stood at 4 per cent. A further reduction took place in February 2025, when the rate fell to 3.75 per cent.

Our net fee and commission income exceeded our expectations, at CZK 3.1 billion, up 16.6 per cent year-on-year. This was driven primarily by the distribution of third-party products such as insurance, and wealth management. These proved particularly attractive to our depositors who sought higher returns than that offered by regular savings and term accounts.

On the operating expenses side, I am pleased to report stability, which was achieved by our ongoing focus on efficiency and cost-discipline, despite the persistent upward pressure on our cost base. Operating expenses came in at CZK 5.7 billion, which was stable compared to last year.

We benefitted from a consistently low cost of risk throughout the year, which stood at CZK 386 million, or 14 basis points of the average net loan portfolio, and was in line with our guidance.

Every year MONETA's tax bill increases, and we make significant payments into the national budget by way of income, withholding, value added and other taxes. In 2024 our effective tax rate was 14.6 per cent, as guided. MONETA's total tax payments to the state budget in 2024 came to CZK 4.4 billion, up by 10.4 per cent on the CZK 4 billion we paid last year.

In 2024 our balance sheet increased by 8 per cent to CZK 495 billion. Our customer deposit base rose by 7.7 per cent year-on-year to CZK 430 billion as we continued to gather deposits despite the decline in interest rates. Our lending volumes also increased, with our gross performing loan portfolio up by 4.5 per cent to CZK 276 billion.

It is pleasing that the year-on-year recovery in our lending was distributed across almost all of our products in both the commercial and retail segments. Mortgage new volumes were up by 104.4 per cent, consumer lending volumes grew by 39.7 per cent, and our loans to small businesses rose by 59.5 per cent. Investment loans also grew by 54.1 per cent. The increase in our lending volumes was facilitated by our online digital distribution, as well as the sterling work of our customer-facing staff, who are incentivised to support MONETA's lending activities.

Of particular note this year has been the growth in our business of distributing third-party wealth management products, where new volumes nearly doubled compared to 2023. Demand increased on the back of declining interest rates as clients sought higher yields on their savings and reserves. MONETA distributed net new volumes of CZK 23.5 billion, up by 88.2 per cent against last year. Our wide range of funds, and the fact that we continually update our offering, is a contributory factor to the success of this particular area of our business. The total balance of distributed wealth management products reached CZK 59.4 billion, up by 54.2 per cent.

In September we raised EUR 300 million through bonds issued to further strengthen and optimise our position regarding the minimum requirement for own funds and eligible liabilities (MREL). The six-year bond issue was nine-times oversubscribed, and was placed with more than 130 mostly international institutional investors. This strengthened our MREL position to 26.99 per cent as at 31 December 2024, a level which comfortably exceeds our management target of 21.95 per cent.

Our regulatory capital stood at CZK 31.6 billion as at 31 December 2024, and our capital adequacy ratio was 18.25 per cent. MONETA's overall excess capital stood at CZK 5.5 billion, or CZK 10.8 per share over the capital management target of 15.05 per cent, excluding the 2024 dividend accrual. We therefore comfortably meet and exceed all regulatory capital requirements.

MONETA's capital position provides a solid foundation for our business in 2025, with the potential to expand our lending activities and to continue with our dividend

policy. In 2024 we made total dividend payments of CZK 12 per share, including the extraordinary dividend of CZK 3 per share that was approved at our 19 November 2024 General Meeting and distributed on 17 December 2024. Given our strong financial performance in 2024 and our robust capital position, the Management Board will propose a 2024 dividend distribution of CZK 10 per share. This represents 88 per cent of our consolidated net profit for the year and is thus consistent with our dividend target of distributing approximately 90 per cent of our consolidated net profits to shareholders.

The shared network of ATMs that we established in 2022 in partnership with three other banks continued to develop in 2024. MONETA and two of its partner banks introduced a deposit taking function, with the fourth partner committed to doing likewise in early 2025. Small businesses and entrepreneurs have found this service particularly useful, especially for those who operate over the weekends and during the evenings. Our alliance now operates 1,966 ATMs across the Czech Republic, of which 795, or 40 per cent of the network, offer the deposit sharing function.

The foundation Nadace MONETA Clementia had a very active 2024. It distributed financial aid and assistance in the total amount of CZK 35 million to organisations, to employee initiatives, and to those who through no fault of their own have found themselves in financial hardship. The foundation waived debts totalling more than CZK 13 million for 36 customers, donated more than CZK 7 million to support the education and personal development of 725 disadvantaged children, provided more than CZK 13 million in grants to 114 organisations focused on the environment and disadvantaged people, and also provided more than CZK 1 million to charitable initiatives undertaken by MONETA's employees.

As every year, we have prepared a medium-term outlook for the next five years. Based on our strong results for 2024 and taking into account economic forecasts, we aim to deliver a cumulative net profit of CZK 33.3 billion in 2025–2029, which is 46.2 per cent higher than in the last five years.

I will now turn to the Czech economy.

CURRENT ECONOMIC ENVIRONMENT

Inflation, the state budget deficit and economic growth were the three main themes running through the Czech economy during the course of 2024, and with mixed results. Inflation was close to the CNB's target of 2 per cent for most of the year, which has to be seen as a vindication of the central bank's tight monetary policy in tackling the heights it reached in 2023. As inflation fell, the central bank made eight consecutive cuts to its key 2-week repo rate, for a total of 300 basis points to 4 per cent since December 2023. The latest reduction came in February 2025, when the rate was trimmed further 25 basis points to 3.75 per cent. Inflation ended-up at 2.4 per cent in for the full year 2024, with the cost of food and housing expenses as main drivers. The central bank has updated its inflation outlook for the next two years, forecasting that it will stabilise close to the 2 per cent target in 2026.

The central bank cited public sector spending and the "risk of the state budget having an inflationary effect" in its Autumn report. The state budget deficit is certainly something that the government grappled with throughout 2024. It seemed as if the budget consolidation package introduced by the government earlier in the year might, despite its unpopularity with certain sections of society, make some corrections to the national books. At the end of October 2024, the budget deficit stood at CZK 201 billion, an improvement of CZK 38 billion year-on-year, according to the finance ministry. But the severe flooding that hit the country in September blew away most of the progress that had been made. The government was obliged to set aside CZK 30 billion to cover the impact of the natural disaster. This increased the 2024 state budget deficit to final CZK 271 billion, which is however still CZK 17 billion lower than the deficit for 2023. Moreover, the flood devastation meant that the government had to revise upwards the 2025 state budget deficit target by CZK 10 billion to CZK 241 billion.

The challenges facing public finance are not dissimilar to those facing economic growth. The Czech economy was sluggish throughout 2024, with scant positive movement. The CNB reports that the economy in fact "started to grow again" in 2024, which is confirmed by the preliminary statistics, according to which Czech GDP grew by 1 per cent. The central bank identifies household consumption as the main growth driver and notes that "investment activity has been subdued". The central bank has a more positive outlook going forward and reckons that GDP growth will reach 2 per cent in 2025 and 2.4 per cent in 2026, supported by a pick-up in fixed investments. But it cautions that external demand will recover "very slowly" and that even this is "not risk-free" should there be an "escalation of the problems in German industry" or if "continued stagnation of the German economy" spills over to other countries, including ours.

The average CZK/EUR exchange rate in 2024 was CZK 25.1 to the euro. According to the CNB's forecast from February 2025, the rate will average somewhere in the region of CZK 25.3 to the euro over the next two years. This, says the CNB, reflects a slow recovery in external demand, subdued productivity growth at home, and the narrowing of interest rate differentials with the euro area.

Unemployment in the Czech Republic is among the lowest in the European Union, with an unemployment rate of 2.7 per cent as at the end of December. The CNB observes a slow easing of labour market tightness, and notes that wage growth slowed during the course of the year.

In October 2024, the central bank announced the doubling of the mandatory minimum reserve requirement from 2 per cent to 4 per cent with effect from 2 January 2025. This lowers the cost to the CNB of implementing its monetary policy. We estimate that the decision will impact MONETA's net interest income by CZK 250–300 million a year, therefore obliging us to generate such income from other areas of our business, preferably with no negative impact on our clients.

CORPORATE GOVERNANCE

During the course of the year our management and corporate governance structures were strengthened. I was delighted that Mr. Andrew John Gerber, who has been with us for more than eight years and who has materially contributed to the digitalisation, cost efficiency, product and communication development of our retail franchise, joined our Management Board in September 2024. In his newly established Board position, Andrew oversees the management of our branch network, management of our retail product suite, and customer value steering.

I am also very pleased that the Supervisory Board extended the term of the Vice-Chairman of the Management Board, Mr. Carl Normann Vökt, for a further four years with effect from 28 January 2025. Mr. Vökt has been a member of our Management Board since 2013 and has served as its Vice-Chairman since 2019. This extension confirms the quality of his professionalism in the area of risk management for the bank.

There were also developments in the composition of our Supervisory Board. Ms. Zuzana Prokopcová replaced Mr. Michal Petrman, whose term had expired. She was co-opted to the Supervisory Board in September 2024 and was confirmed by shareholder vote at our General Meeting on 19 November 2024. Ms. Prokopcova's appointment was based on her contribution to the Audit Committee, her contribution to the MONETA Clementia Foundation and her outstanding professional credentials. In addition, Messrs. Clare Ronald Clarke and Denis Arthur Hall were re-elected at the General Meeting to the Supervisory Board following the expiry of their previous terms.

Our Supervisory Board also added two new employee representatives Ms. Monika Kalivodová and Ms. Linda Kavanová, who were co-opted until the next employee election. Ms. Kalivodová is Senior Manager of Collections and Ms. Kavanová is Senior Manager of Investor Relations. Both have enjoyed long and successful careers with the bank, and have made outstanding contributions with respect to the foundation Nadace MONETA Clementia and the establishment of the employer-organised internal kindergarten. Ms. Kavanová is also essential in the shaping of employee dialogue through our MON FAIR committee.

MREL BOND ISSUANCE

In September 2024 we strengthened and optimised our position regarding the minimum requirement for own funds and eligible liabilities (MREL) by raising EUR 300 million through a bond issue. With a maturity of six years, the bonds give an option for early repayment after five years, and they pay a fixed interest rate of 4.41 per cent per annum. The issue was very positively received by the market, with more than 200 investors from 32 countries expressing interest: the issue was nine times oversubscribed. This strong investor interest had a positive impact on the final rate of interest, reducing the spread by approximately 50 basis points.

As a result, MONETA's overall MREL position increased by more than 400 basis points and stood at 26.99 per cent as at 31 December 2024, which was well above the targeted 21.95 per cent. This strengthened capital position provides us with sufficient capacity to further expand our lending activities, and indirectly supports our ability to continue with our current dividend policy. I would like to acknowledge our banking partners on the issue, J.P. Morgan, Goldman Sachs, BNP Paribas and J&T Banka, and our legal counsel, Allan & Overy, our long-term advisor on such matters.

I will now run through our financial performance.

FINANCIAL PERFORMANCE

MONETA has outperformed the minimum 2024 targets that we outlined in both our market guidance, and in our internal plans. Net profit for the year was CZK 5.8 billion, up 11.7 per cent year-on-year, and represents a Return on Tangible Equity of 20.4 per cent.

Our operating income of CZK 12.9 billion, was 6.3 per cent up year-on-year. MONETA's net interest income was CZK 8.9 billion in 2024, an increase of 4 per cent over 2023. This was thanks to the combination of lower interest expenses on deposits, which in turn reflected our successful deposit repricing, and a pick-up in lending that helped to stabilise our net interest income.

MONETA's net fee and commission income was higher than in 2023 by 16.6 per cent, at CZK 3.1 billion, mainly due to the successful distribution of third-party

wealth management and insurance products. The fee and commission income from third party products reached CZK 2 billion, with income from insurance products reaching CZK 1.2 billion and the income from investment funds increasing by 123.3 per cent to CZK 739 million.

Operational expenses were stable and came in at CZK 5.7 billion for the year, which is in line with our guidance and reflects our commitment to cost discipline. Regulatory charges decreased by 29.6 per cent against the previous year to CZK 216 million, which was a clear benefit. Our administrative expenses also fell, by 5 per cent to CZK 1.6 billion. Although we saw a year-on-year bump in personnel expenses of 6.4 per cent to CZK 2.7 billion, this has to be seen in the context of remuneration adjustments that were made to address inflation, maintain morale and motivation, and, frankly, to remain competitive in the labour market.

The cost of risk recognised in 2024 amounted to CZK 386 million, which translates into 14 basis points against our average net loan portfolio size, which is in accord with our guidance. Our loan portfolio performed well, with low delinquencies and good repayment discipline. Our non-performing loan (NPL) ratio for the year was at a record low of 1.3 per cent. In 2024 we disposed of NPLs in the nominal amount of CZK 1.5 billion, which generated income of CZK 131.8 million.

MONETA's operating profit increased by 12 per cent to CZK 7.2 billion.

Throughout 2024 we invested in government bonds, the income from which is unburdened by tax. Our effective tax rate for 2024 was 14.6 per cent, which is in line with our guidance. As at 31 December 2024, we held government bonds in the amount of CZK 113 billion, of which more than half generated tax exempt income.

MONETA's balance sheet in 2024 expanded by 8 per cent to CZK 495 billion. Our balance sheet growth was driven by our customer deposit base, which grew by 7.7 per cent year-on-year to CZK 430 billion and our successful issue of MREL bonds. This provided resources for an increase in our gross performing loan portfolio, which grew by 4.5 per cent to CZK 276 billion.

This also gives us a very strong liquidity position, which enables credit expansion should demand strengthen. Our strong liquidity position was reflected in our key ratios such as our loan to deposit ratio (at 64 per cent), our liquidity coverage ratio (357 per cent) and our net stable funding ratio (181 per cent).

MONETA served 1.6 million clients as at 31 December 2024, an increase of 1.4 per cent.

BUSINESS PERFORMANCE

It has been a good year for MONETA's business. Our gross performing loan portfolio increased by 4.5 per cent in 2024 to CZK 276 billion as new lending grew more or less in line with the decline in interest rates. Our commercial lending rose by 10 per cent on 2023 to CZK 92.8 billion, and our retail lending increased by 2 per cent to CZK 183 billion. Particular highlights included new mortgage volumes, which more than doubled and were up 104.4 per cent, while new consumer lending rose by 39.7 per cent. New small business volumes were up 59.5 per cent and new investment loans 54.1 per cent.

Our overall business performance was above our assumptions for the guidance. In total we underwrote CZK 62.5 billion in new loans in 2024, an increase of 53.4 per cent on the previous year. On the other side of the ledger, our total deposit base increased by 7.7 per cent to CZK 430 billion, despite the decrease in our interest rates on savings and term accounts.

Retail segment business performance

The year 2024 saw a revival in demand for loan products, especially mortgages and consumer credit. Our total gross performing retail loan balances thus grew by 2 per cent to CZK 183 billion. Total retail new volumes rose by 59.4 per cent to CZK 37 billion; new mortgage and new consumer loans were up by 104.4 per cent and 39.7 per cent, respectively. Total mortgage receivables were up by 2.1 per cent and stood at CZK 130 billion, while total consumer lending receivables were at CZK 47.8 billion. Credit card and overdraft lending volumes were stable at CZK 2.4 billion. And our retail auto lending rose by 9 per cent to CZK 2.7 billion.

Over the course of the year MONETA decreased savings deposit rates seven times by a cumulative 230 basis points against the CNB's key rate decrease of a cumulative 300 basis points since December 2023. Despite this reduction we managed to keep our saving account interest rate at a competitive 3 per cent per annum. Our managed approach to repricing clearly worked, as our retail deposits increased by 3.5 per cent to CZK 324 billion as at 31 December 2024.

Our retail depositors have been an important source of third-party fund distribution, which is testament to our business strategy of diversifying income across our portfolio of products.

We saw record sales of third-party wealth management products in 2024, as many savers moved some of their reserves out of cash and into investments that can generate better returns. MONETA distributed net new volumes of CZK 23.5 billion, up by 88.2 per cent on

2023. Our regular introduction of new funds gives us a compelling and attractive proposition, which certainly contributed to the success.

The total balance of investment funds distributed by us was CZK 59.4 billion and grew by 54.2 per cent. This significantly contributes to our fee income, and to our profitability.

Commercial segment business performance

MONETA's commercial gross performing loan balances grew by 10 per cent in 2024 to CZK 92.8 billion thanks to the revival in demand related to lower interest rates. New volumes were up by 45.5 per cent year-on-year to a total of CZK 25.5 billion.

Growth was supported by lending to our small business clients, where new volumes grew by 59.5 per cent. Our overall small business loan book reached CZK 16.3 billion, an increase of 17.6 per cent year-on-year. We also saw a strong revival of investment lending, where new volumes rose by 54.1 per cent, and the investment loan book therefore reached CZK 50.1 billion at the year's end, an increase of 10.8 per cent. The commercial working capital portfolio grew by 7.7 per cent, to reach CZK 16.6 billion. And our commercial auto loan book grew by 11.6 per cent to CZK 8.6 billion.

Our commercial deposit base reached a record CZK 106 billion by the end of year, an increase of 22.9 per cent on 2023. As in retail, our commercial funding has been subject to repricing, but we were nevertheless able to achieve sustained growth, as the results testify.

DIGITAL STRATEGY PROGRESS REVIEW

MONETA continues to be a digital leader in the Czech banking sector, as confirmed by independent market research conducted by MarketVision and published earlier in the year. We currently offer 41 products via our digital channels, and in the first half of 2024 we widened our service range with the introduction of Click to Pay, an online payment platform developed by VISA. During the year we moved to re-enforce and strengthen our customer on-boarding and processing in order to protect our customers from cybercrime, which is a significant problem, and an issue that I address in a little more detail elsewhere in my letter.

Our award-winning mobile application, Smart Banka, continues to attract new users and is now our most important client interaction platform. Our digital platforms had a combined 1.5 million registered users, up 7.3 per cent year-on-year and an average of 684,000 client visits per day, in 2024. Our focus has been, and will remain, to relentlessly strive to improve the functionality and security aspects of our digital offering, thus delivering a quality customer experience and more overall security.

In July 2024, we gave the MONETA website a new look with a redesign built on a 'mobile first' approach, meaning that the website works seamlessly on mobile devices. Indeed, the redesign of the website was intentionally unified with our Smart Bank mobile application. The aesthetics and functionality of the new site have translated into commercial success, with our offers securing materially higher attention, which directly translates into a higher number of new business leads.

We delivered solid growth in the online distribution across all of our key products. Online consumer lending origination increased and accounted for 57 per cent of all consumer new volumes. Our fully online mortgage offering accounted for 33 per cent of all newly signed mortgage volumes in 2024. Online mortgage distribution carries less cost than traditional mortgage transacting, and we were able to pass this on to our customers with more competitive mortgage offerings, including refinancing. We also grew the online share of small business lending, with 46 per cent of new small business loans originating via our digital channels in 2024.

Looking ahead, we are aiming to complete the transition of our digital and online offerings to a cloud platform, with all banking applications transferred by 2025, apart from our core system. We are confident that this will enable us to accelerate innovations, including the prudent use of AI. As the coming year progresses, we will update our customers and the market with these exciting new developments.

RISK MANAGEMENT

In 2024, our cost of risk came in at CZK 386 million, or 14 basis points against our average net loan portfolio. This falls within our previously guided range of 10–30 basis points. Broadly speaking, our loan portfolio continued to perform very well, with good repayment discipline and relatively few delinquencies. Our NPL ratio was at a record low of 1.3 per cent. And during the course of the year we reduced the level of management overlays that were originally created to cover uncertainties stemming from 2023.

In the first half of 2024, the CNB introduced mandatory registration rules for buyers of non-performing loans. This required some adjustments and patience on the part of both buyers and sellers, but we met our NPL disposal target for the year, successfully selling NPLs with a nominal value of slightly over CZK 1.5 billion. These sales generated an additional income of CZK 131.8 million.

CYBER CRIME

Throughout 2024, we invested in our online security systems to protect our customers from increasing levels of cyber-attack, which is a challenge for the entire banking sector and not just MONETA. Unfortunately, our own clients suffered losses of CZK 125 million due to cyber-crime, an increase of 45.5 per cent on 2023. Cyber criminals are using increasingly complex tricks and techniques to steal, which makes the fight against them ever more challenging. Accordingly, MONETA intensified its efforts to combat such crime, and to protect our clients from criminal losses.

We have invested in AI tools that study client transaction patterns, and thus improve our ability to monitor, detect and block suspicious behaviour. And we have improved the efficiency of our existing technology and tools. We are, therefore, confident that our ability to prevent cyber fraud and related client losses has significantly increased.

Specifically, MONETA has strengthened its security protocols regarding customer registration of new devices. And we have launched a new communication campaign to increase client awareness of the different types of possible attack. We believe that 2025 will be safer for our clients, and for the bank itself.

STRENGHTENED CAPITAL POSITION AND DIVIDEND CAPACITY

During 2024 we maintained a strong capital position, which allowed us to propose an extraordinary dividend in the amount of CZK 3 per share, or CZK 1.5 billion. It was duly accepted by our shareholders and distributed in December 2024 from the retained earnings of previous years. In total, MONETA made dividend payments of CZK 12 per share in 2024.

In September 2024, MONETA further strengthened its MREL capital position when we, as I have already mentioned, successfully raised EUR 300 million in MREL bonds. As at 31 December 2024, the MREL ratio stood at 26.99 per cent and comfortably exceeded our target of 21.95 per cent.

The following month, in October 2024, we received a positive assessment from the CNB's Supervisory Review and Evaluation Process (SREP), with the central bank requiring MONETA to maintain a total SREP capital requirement of 10 per cent, effective 1 January 2025, which is 30 basis points lower than in 2024.

MONETA's management capital target was 15.05 per cent as at 31 December 2024 and will increase to 15.25 per cent from 1 January 2025 as described below.

MONETA's total capital requirement consists of the regulatory capital requirement under Pillar I of 8 per cent, and SREP under Pilar II of 2.3 per cent, which will decrease to 2 per cent from 1 January 2025. In addition, we are required to hold capital to cover the combined capital buffer, which was 3.75 per cent at the end of December 2024. This consisted of a capital conservation buffer of 2.5 per cent and a countercyclical capital buffer of 1.25 per cent. Although the CNB reduced the countercyclical buffer from 1.75 to 1.25 per cent from 1 July 2024, at the same time it introduced a systemic risk buffer of 0.5 per cent effective from 1 January 2025. The combined capital buffer requirement will therefore revert to 4.25 per cent from 1 January 2025. In addition to the regulatory requirements, MONETA maintains a capital buffer of 1 per cent of risk weighted assets.

Over and above our regulatory capital requirements and obligations, we enjoy a strong capital position. Our regulatory capital was CZK 31.6 billion as at 31 December 2024. Our capital adequacy ratio was at 18.25 per cent, with the MREL position improving to 26.99 per cent. We comfortably met and exceeded all regulatory capital requirements in 2024.

As a result, MONETA's overall excess capital stood at CZK 5.5 billion, or CZK 10.8 per share over the capital management target of 15.05 per cent.

Our robust capital position underpins our potential to expand our lending activities and to continue with our healthy dividend policy. At the end of the year, we had accrued 88 per cent of our 2024 consolidated net profit, or CZK 5.1 billion to our dividend account. The Management Board will propose to shareholders the distribution of dividend in the amount of CZK 10 per share to be approved at the April 2025 General Meeting.

In summary, our capital position is favourable and for the upcoming year we expect it to remain so. This is due to our lower Pillar II requirement and CRR III implementation, assuming our ability to maintain recurrent profitability, projected loan growth, and stability in regulatory requirements.

SHARED ATM NETWORK

I am pleased to report that the national network of ATMs that we established in 2022 in partnership with Komerční banka, Air Bank and UniCredit Bank continued to develop in 2024. In August, MONETA and two of its partner banks introduced a deposit taking function, with the fourth partner, UniCredit Bank, committed to developing the necessary technical capabilities in early 2025. The alliance now operates 1,966 ATMs across the Czech Republic, of which 795 offer the deposit sharing function.

Under the commercial terms agreed between the partner banks in the shared ATM network, fees are based on the number of ATMs each bank contributes to the alliance, and which reflect the capital value of each partner bank. In this way, each bank avoids per transaction fees, and operates on the basis of fixed annual contributions, adding to the predictability and sustainability of our ATM-related costs.

Our shared ATM network boosts client convenience, giving MONETA customers access to almost 800 locations where they can make cash deposits. This service is particularly appreciated by small businesses, entrepreneurs and shops that handle cash outside of regular branch opening hours, and especially over the weekends.

AWARDS

The talent, professionalism and innovation of MONETA and its employees were on full display this year as the bank successfully competed against much larger competitors to secure industry awards in a broad range of categories. My thanks go out to all our staff for these achievements: MONETA's successes are their successes.

At the prestigious Zlatá koruna (Golden Crown) annual banking awards, MONETA received a total of nine medals in the 22nd edition of the competition. Once again, our mobile banking application, Smart Banka, won the People's Choice Award, for the fourth year in a row. This is a remarkable feat that underlines our strong leadership position in digital banking. MONETA won a further three Golden Crowns that reflect the bank's commitment to supporting entrepreneurship, small business and women in business: there was first place in the Entrepreneurs' Award for a savings account for sole-traders and companies; first place in the Business Loan category for a loan tailored for female entrepreneurs; and first place in the Business Accounts category with the "Konto PRO podnikání" product.

MONETA's services for small and medium-sized businesses were also recognized in the CEE SME Banking Awards, taking the silver position among 26 banks from eight countries in the mobile banking category, and fourth spot in the category focused on online banking, the highest placing of all Czech banks.

Since July 2024, MONETA's website has had a new look. It has been visually unified with the Smart Banka mobile app in a redesign that earned first place at the Internet Effectiveness Awards competition in the Digital Transformation and Banks, Insurance and Finance categories. This was complemented by second place in the WebTop 100 competition in the SEO category of 2024.

MONETA's strong customer-focused approach was confirmed by its recognition as the most customer-friendly bank on the market in this year's Visa Best Bank competition, organized by leading Czech business media Hospodářské noviny. This excellent result helped MONETA defend its silver ranking in the main category of Best Bank, meaning it has now been ranked among the top three banks in the Czech Republic for a third straight year.

Our banking products were also well represented in the 13th year of the professional competition Finparáda – Financial Product of the Year 2023, winning a total of four gold medals, including first place for the Tom Plus current account, flexible mortgage and loan repayment ability insurance (BNP Paribas Cardif Pojišťovna).

And finally, thanks to our range of advantageous mortgages and the option to negotiate and refinance fully online, MONETA was able to turn last year's silver place into gold in the Mortgage of the Year category in the Mastercard Bank of the Year 2024 competition.

ESG

During 2024 MONETA accomplished some notable ESG achievements.

We continued to successfully reduce our carbon footprint and remained ahead of schedule with regard to the targets set in our ESG strategy, published at the end of October 2021, which is the cornerstone for all such initiatives and projects that we have conducted since then. We believe we set our targets aggressively, and within a reasonable timeframe. So far, we have been able to not only fulfil the majority of them, but also exceed them.

Based on the assessment of 2024 data completed in January 2025, MONETA has decreased direct carbon emissions (Scope 1 and 2) by 88.8 per cent since 2016 and will, therefore, meet its original target ahead of time; the original target was for a 90 per cent reduction by 2026. Measures taken in furtherance of this include replacing combustion-engine cars with electric vehicles in our company fleet, staying diligent in our purchase of green energy, and remaining rigorous in saving on our central and branch heating.

Our success in reducing our emissions was recognised by our inclusion in the 2024 Financial Times' Europe's Climate Leaders table, which lists 600 European companies that have achieved the greatest reductions in their greenhouse gas emissions in order to lower their carbon footprint. MONETA is the only Czech company listed in the FT's table.

Another target we achieved ahead of schedule is the proportion of electric cars in MONETA's corporate fleet. At the end of the year, this proportion was 84%, which exceeds the target set by the ESG strategy for 2026.

Further validation of our ESG approach was evidenced by the strong assessment of several independent organisations. Specifically, we are rated by MSCI at 'AA'. Additionally, we are evaluated by Sustainalytics at 'Low Risk' and by ISS at 'C-'. And CDP confirmed MONETA's 'B' rating.

And as mentioned earlier in my letter, the foundation Nadace MONETA Clementia distributed CZK 35 million in financial aid and support to organisations, charities and individuals. Everyone at MONETA is very proud of the work done by our Clementia Foundation and its independent Board of Trustees. The Foundation makes a real and meaningful difference to those it helps, and we look forward to ensuring that it has the resources to continue doing so.

ACCOLADE TO COLLEAGUES

On behalf of the Management Board of MONETA Money Bank, I would like to extend sincere thanks to everyone at the bank for their contribution to what was a successful 2024. Our work has been recognised by our professional peers in the form of a wide range of prestigious industry awards, and our ESG strategy has been judged positively by independent third-party agencies. Our financial results outperformed everyone's expectations, and are a testament to the skills and dedication of our staff.

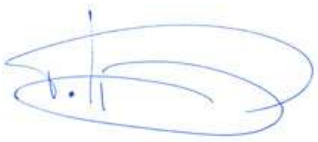
MONETA is in a strong position as we enter 2025, and we must all ensure that we maintain our discipline and dedication throughout the coming year.

OUTLOOK FOR 2025

MONETA is in good condition to meet its financial, business and ESG related aspirations. Specifically, we aspire to deliver a minimum net profit of CZK 6 billion in 2025, and in such context, we aim to repeat and improve the commercial metrics of 2024 while preserving the prudent profile of our balance sheet. Details of our minimum targets and aspirations are available in the market guidance section of this Annual Financial Report. With respect to ESG, our key targets remain as these were set out in our ESG strategy published in 2021 and subsequently amended. During 2025, we will work towards further improvements in the disclosure of key ESG related metrics and facts, and to make further progress with respect to our quantitative targets.

Overall, we are well poised to continue creating and delivering shareholder value.

Sincerely,



Tomáš Spurný
Chairman of the Management Board and CEO
MONETA Money Bank, a.s.



Small Business Strategy Conference

Networking, peer inspiration and commercial banking news are the cornerstones of our commercial bankers meeting. At the two-day event, we recognise the Best Bankers of the Year.

We are MONETA

HIGHLIGHTS

KEY EVENTS IN 2024

2024

FEBRUARY

GUIDANCE

MONETA Money Bank ("Bank") published its medium-term guidance for 2024–2028, which targeted the delivery of a cumulative net profit of at least CZK 27.7 billion. That was 32% higher than the cumulative net profit delivered in the previous five years.[1]

AWARDS

MONETA won four gold medals in the traditional professional competition Finparáda – Financial Product of the Year in 2023, for its current account for retail and small business clients, flexible mortgage and payment protection insurance (with BNP Paribas Cardif Pojistovna).[2]

PRODUCTS

MONETA began offering clients a long-term investment product in the form of a new state-supported form of saving for retirement that combines tax benefits and employer contributions with the client's choice of investment strategy.[3]

MARCH

PRODUCTS

MONETA signed a EUR 100 million loan, equivalent to CZK 2.5 billion, with the European Investment Bank. The funds will be used to finance special loan products for entrepreneurs and small businesses with up to 3,000 employees. In addition, up to CZK 700 million will be used for environmentally sustainable projects related to renewable energy, soil erosion, public transportation, and improved energy efficiency for buildings.[3]

APRIL

GENERAL MEETING/DIVIDEND

The Annual General Meeting of the Bank was held on 23 April 2024 and approved the distribution of a dividend in the amount of CZK 9 per share from the 2023 net profit. In addition, the shareholders approved the 2023 consolidated and separate financial statements of the Bank as well as the 2023 Remuneration Report. The General Meeting was attended by 74.59% of shareholders.[1]

MAY

DIGITAL

MONETA furthered the range of its digital payment services for clients with the introduction, in cooperation with VISA, of the Click to Pay service for online payments. This service simplifies online payments by eliminating the need to enter card details as they are stored in a secure, encrypted form.[3]

JUNE

AWARDS

MONETA won a total of nine medals in the 22nd edition of the prestigious "Golden Crown" financial sector awards. For the fourth year in a row, the Bank took first place in the People's Choice Award with its Smart Banka mobile banking application. It also won three gold crowns for products for small business clients.[4]

JULY

DIGITAL

MONETA unveiled a completely redesigned website on 1 July. The new design better serves the needs of retail and small business customers. Inspired by the Smart Banka mobile application, it prioritises optimisation for smartphones and tablets, addressing the growing number of users who access the site from their mobile devices. The new website won an award for Digital Transformation in the professional competition Internet Effectiveness Awards.[3, 5]

AUGUST

SHARED ATM NETWORK

MONETA, Komerční banka and Air Bank introduced a deposit function at almost 800 shared ATMs. This was the latest step in the 2023 joint initiative of a shared ATM network, in which the above-mentioned banks and UniCredit Bank enable their customers to withdraw cash from nearly 2,000 shared ATMs.[3]

ESG RATING

MSCI confirmed MONETA's ESG rating at the second highest level AA.[6]

SEPTEMBER

MREL BOND ISSUANCE

MONETA issued senior preferred bonds in the total nominal amount of EUR 300 million (equivalent to CZK 7.5 billion as at 4 September 2024) at a fixed interest rate of 4.41% p.a. for the first five years. The issue was carried out to strengthen the Bank's capital structure and was well received by the financial markets.[1]

MANAGEMENT BOARD

On the recommendation of the Nomination Committee of the Supervisory Board, Mr. Andrew John Gerber was elected as the new sixth member of the Bank's Management Board. Mr. Gerber also holds the position of Chief Retail Banking Officer.[1]

OCTOBER

CREDIT RATING

The rating agency Moody's Deutschland GmbH confirmed MONETA's credit rating at A2 with a stable outlook. The rating has remained unchanged since December 2019.

SREP CAPITAL REQUIREMENT

The CNB decreased the Pillar II capital requirement for MONETA by 30bps to 2% effective from 1 January 2025. The overall management capital target will therefore decrease to 15.25%, consisting of an 8% Pillar I requirement, 2% Pillar II requirement, 2.5% capital conservation buffer, 1.25% countercyclical buffer, 0.5% newly introduced systemic risk buffer and 1% management buffer.[1]

NOVEMBER

MARKET VALUE

MONETA was deemed to be the 8th most valuable Czech company in the 2nd edition of the "100 Czech Elite" ranking compiled by the economic portal Seznam Byznys and consulting company Deloitte, moving up two places compared to the previous year. The ranking included companies controlled by Czech owners that are both domiciled and taxable in the Czech Republic. As at the date of publication of the ranking, the market capitalisation of MONETA was CZK 57 billion, which increased to CZK 63.3 billion as at 31 December 2024. In the same ranking, MONETA also received the highest score in the ESG Excellence category, primarily for its approach to sustainability.[7]

AWARDS

- MONETA was named the "Most client friendly Bank" in the 2024 Best Bank competition organised by VISA and Hospodářské noviny, and was runner-up in the main category, the Bank of the Year. MONETA was successful thanks to its attractive interest rates on both loan and deposit products as well as its widely accessible branch and ATM networks.[8]
- In the 23rd edition of the Mastercard Bank of the Year competition, MONETA won the award for the best mortgage on the market. In the main category, Bank of the Year, MONETA took third place.[9]

GENERAL MEETING / EXTRAORDINARY DIVIDEND

A General Meeting was held on 19 November 2024 at which shareholders approved the distribution of an extraordinary dividend of CZK 3 per share, for a total amount of CZK 1.5 billion. Shareholders also approved new members of the Bank's Supervisory Board and the Audit Committee.[1]

SUPERVISORY BOARD / AUDIT COMMITTEE

The General Meeting elected Mrs. Zuzana Prokopcová as a new member of the Supervisory Board of the Bank and confirmed Mr. Clare Ronald Clarke and Mr. Denis Arthur Hall in their positions. Mrs. Kateřina Jirásková was elected as a new member of the Audit Committee of the Bank and Mr. Denis Arthur Hall was re-elected as a member of the Audit Committee of the Bank.[1]

DECEMBER

ESG

- The share of electric cars in MONETA's fleet had increased to 84% by the end of 2024. This achievement allowed MONETA to meet its sustainability target approximately two years ahead of schedule.
- MONETA reduced its direct (Scope 1 and Scope 2) carbon dioxide emissions by 88.8% since 2016, according to the carbon footprint calculation for the year 2024. As a result, MONETA has almost achieved its goal of reducing direct carbon dioxide emissions by 90% by 2026 compared to 2016, two years ahead of schedule.

TOTAL SHAREHOLDER RETURN

The share price of the Bank reached CZK 123.8 at the end of 2024, which represents a 32.3% increase year-on-year. Together with a total dividend paid in 2024 of CZK 12 per share, it represents a Total Shareholder Return for 2024 of 48%.[10]

2025

1 Source: https://investors.moneta.cz/news.
2 Source: https://www.finparada.cz/Zebricky-Produkt-Roku.aspx (Czech only).
3 Source: https://www.moneta.cz/servis-pro-media/tiskove-zpravy (Czech only).
4 Source: https://www.zlatakoruna.info/soutez/2024 (Czech only).
5 Source: https://www.iea.cz/rocnik-iea-2024/.
6 Source: https://www.msci.com. Disclaimer Statement: The use by MONETA Money Bank, a.s. of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation or promotion of MONETA Money Bank, a.s. by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.
7 Source: https://www.seznamzpravy.cz/tag/ceska-elita-95008 (Czech only).
8 Source: https://nejbanka.hn.cz/vysledky/. (Czech only).
9 Source: https://bankaroku.cz/banka-roku/. (Czech only.)
10 Source: Prague Stock Exchange (www.pse.cz). Total Shareholder Return according to Bloomberg methodology, including reinvested dividend.



Trainee

Fifty university students have completed the MON NET programme since its inception in 2021. Our Trainee programme thus perfectly complements a number of other talent management projects.

We are MONETA

2024 FINANCIAL RESULTS AND GUIDANCE[1]

Metrics	2024 Results	2024 Guidance[2]	Difference in %	Difference
Total operating income (CZK bn)	12.9	12.4	4.1%	+0.5
Total operating expense (CZK bn)	(5.7)	(5.8)	(1.3)%	+0.1
Operating profit (CZK bn)	7.2	6.6	8.9%	+0.6
Cost of risk (CoR, bps)	(14)	(10–30)	-	-
Net profit (CZK bn)	**5.8**	**5.2**	**11.7%**	**+0.6**
Earnings per share (CZK)	11.4	10.2	11.7%	+1.2
Return on Tangible Equity (RoTE)	20.4%	17.0%	19.8%	+3.4 pp

In 2024 MONETA successfully delivered all key financial commitments to its shareholders, as expressed in the market guidance published on 2 February 2024[2].

MONETA generated a net profit of CZK 5.8 billion, exceeding its 2024 guidance of CZK 5.2 billion by CZK 0.6 billion. The main drivers of the stronger performance were higher operating income, lower operating expenses and a cost of risk below the mid-point of the guided range.

Supported by the successful expansion of the distribution of commission-based third-party products, MONETA exceeded its targeted total operating income of CZK 12.4 billion by CZK 0.5 billion. Net interest income was negatively impacted by the faster decline of market interest rates, namely in the first half of 2024, which was, however, offset by the repricing of savings and term deposit balances, and successful expansion of the lending portfolio.

In 2024 MONETA also continued the efficient management of operating expenses despite persistent inflationary pressures. Total operating expenses amounted to CZK 5.7 billion, CZK 0.1 billion less than market guidance. This was achieved mainly by lower administrative and other operating expenses and reduced regulatory charges, primarily due to lower contribution to the Resolution Fund. However, the prevailing inflationary pressure on salaries resulted in higher-than-expected personnel expenses. MONETA's cost to income ratio for 2024 reached a solid 44.3%.

The cost of risk was reported at CZK 386 million, or 14bps of the average net loan portfolio, below the mid-point of the guided range of 10–30bps. This result was positively impacted by solid core portfolio performance and successful NPL disposals, which made a positive impact on the cost of risk in the amount of CZK 127 million.

Return on Tangible Equity for the year 2024 reached 20.4%, surpassing the minimum market guidance of 17%.

1 Based on consolidated results.

2 Market guidance published on 2 February 2024 as part of FY 2023 Financial Results presentation.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in CZK m)	31 Dec 2024	31 Dec 2023	Change
Cash and cash balances at the central bank	13,541	10,871	24.6%
Investment securities	116,664	104,353	11.8%
Loans and receivables to banks	79,206	69,632	13.7%
Loans and receivables to customers	275,383	263,064	4.7%
Remaining assets	10,188	10,264	(0.7)%
Total Assets	**494,982**	**458,184**	**8.0%**
Due to banks	3,834	5,423	(29.3)%
Due to customers	430,021	399,497	7.6%
Issued bonds	11,562	3,808	203.6%
Subordinated liabilities	7,622	7,604	0.2%
Remaining liabilities	10,064	9,649	4.3%
Total Liabilities	**463,103**	**425,981**	**8.7%**
Total Equity	**31,879**	**32,203**	**(1.0)%**
Total Liabilities and Equity	**494,982**	**458,184**	**8.0%**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(in CZK m)	2024	2023	Change
Interest and similar income	22,207	22,046	0.7%
Interest expense and similar charges	(13,288)	(13,469)	(1.3)%
Net interest income	**8,919**	**8,577**	**4.0%**
Net fee and commission income	**3,060**	**2,624**	**16.6%**
Other income	**932**	**946**	**(1.5)%**
Total operating income	**12,911**	**12,147**	**6.3%**
Total operating expenses	**(5,722)**	**(5,730)**	**(0.1)%**
Operating profit	**7,189**	**6,417**	**12.0%**
Net impairment of financial assets	**(386)**	**(305)**	**26.6%**
Profit for the period before tax	**6,803**	**6,112**	**11.3%**
Profit for the period after tax	**5,808**	**5,200**	**11.7%**

KEY PERFORMANCE INDICATORS[3]

Business performance (in CZK bn)	31 Dec 2024	31 Dec 2023	Change
Gross performing loan balance	**275.9**	**263.9**	**4.5%**
Retail gross performing loan balance	183.1	179.5	2.0%
Commercial gross performing loan balance	92.8	84.4	10.0%
Customer deposits	**429.8**	**399.2**	**7.7%**
Retail customer deposits	324.0	313.2	3.5%
Commercial customer deposits	105.8	86.1	22.9%

Figures in the table may not add up to the total due to rounding differences.

Profitability and Efficiency	2024	2023	Change
Average loan portfolio yield	4.9%	4.7%	0.2pp
Cost of funds (CoF) on customer deposits	2.93%	3.30%	(0.37)pp
Net interest margin	1.9%	2.1%	(0.2)pp
Cost of risk (CoR)	0.14%	0.11%	0.03pp
Risk-adjusted yield	4.8%	4.6%	0.2pp
Net fee & commission income/total operating income	23.7%	21.6%	2.1pp
Net non-interest income/total operating income	30.9%	29.4%	1.5pp
Cost to income ratio	44.3%	47.2%	(2.9)pp
Return on Tangible Equity (RoTE)	20.4%	18.0%	2.4pp
Return on Equity (RoE)	18.2%	16.1%	2.1pp
Return on Average Assets (RoAA)	1.2%	1.2%	0.0pp

Capital and Liquidity	31 Dec 2024	31 Dec 2023	Change
Total capital adequacy ratio	18.2%	20.1%	(1.9)pp
Tier 1 capital adequacy ratio	14.5%	15.7%	(1.2)pp
Loan to deposit ratio	64.1%	65.9%	(1.8)pp
Total equity/total assets	6.4%	7.0%	(0.6)pp
High-quality liquid assets / Customer deposits	43.5%	40.0%	3.5pp
Liquidity coverage ratio	357.2%	354.4%	2.8pp
Net stable funding ratio	180.9%	164.1%	16.8pp

3 Based on consolidated results.

2025–2029 MEDIUM-TERM GUIDANCE[4]

Based on recent developments, MONETA's 2024 results and the latest macroeconomic outlook, the Management Board has provided the following market guidance for the next five-year period from 2025 to 2029. Overall, MONETA aims to deliver a minimum cumulative net profit of CZK 33.3 billion, which is 46.2% higher than in the previous five-year period.

MONETA is aiming to gradually increase total operating income by 5% CAGR to reach CZK 16.5 billion in 2029. MONETA also targets to keep operating expenses under tight control, reducing the cost-to-income ratio to 40%, with operating expenses of CZK 6.6 billion by 2029. The target for the cost of risk is to normalise in the range of 25–45bps over the medium term. The effective tax rate should be around 15.5%. The Return on Tangible Equity is projected to reach a minimum of 20% throughout the period.

Metrics	2025	2026	2027	2028	2029	CAGR 2025–2029
Total operating income (CZK bn)	13.6	14.6	15.1	15.8	16.5	5.0%
Total operating expenses (CZK bn)	(5.9)	(6.1)	(6.2)	(6.4)	(6.6)	2.8%
Operating profit (CZK bn)	7.7	8.5	8.9	9.4	9.9	6.5%
Cost of risk (CoR, bps)	(15-35)	(25-45)	(25-45)	(25-45)	(25-45)	n/a
Effective tax rate[5]	15.5%	15.5%	15.5%	15.5%	15.5%	n/a
Net profit (CZK bn)	**6.0**	**6.3**	**6.6**	**7.0**	**7.4**	**5.4%**
Earnings per share (CZK)	11.7	12.3	12.9	13.7	14.5	5.4%
Return on Tangible Equity (RoTE)	20%	20%	21%	21%	22%	n/a

More details on the medium-term guidance are also available in Chapter 12 "Forward-Looking Statements" of this Annual Financial Report.

4 Latest market guidance published on 31 January 2025 as part of FY 2024 results presentation.

5 Based on the assumption that current tax legislation remains unchanged.

MARKET PERFORMANCE OF THE BANK'S SHARES

- On 30 December 2024[6], the closing price of the Bank's shares on the Prime Market of the Prague Stock Exchange was CZK 123.8. The highest closing price in 2024 was CZK 127 recorded in November.[7]
- The market capitalisation of the Bank reached CZK 63.3 billion[8] as at 31 December 2024, which represents 14% of the aggregated market capitalisation of all companies included in the PX index (as at 31 December 2024).[9]
- In 2024, the average daily volume of trading in the shares of the Bank on the Prime Market of the Prague Stock Exchange amounted to 422,000 shares.[10]
- In 2024, MONETA distributed to its shareholders two dividend payments totalling CZK 12 per share. The dividend from 2023 net profit in the amount of CZK 9 per share was paid on 21 May 2024. On 19 November 2024, the year's second General Meeting approved the payment of an extraordinary dividend from the previous year's net profits in the amount of CZK 3 per share, which was paid on 17 December 2024.
- The Management Board will propose a dividend distribution from 2024 net profit in the amount of CZK 10 per share, representing a pay-out ratio of 88% of the 2024 consolidated net profit. The payment of this dividend will be subject to approval at the Annual General Meeting to be held on 24 April 2025.
- The Management Board of the Bank is committed to its dividend policy to distribute at minimum 70% of annual net profit subject to corporate and regulatory approvals. Since the IPO in 2016 the Bank has distributed to its shareholders in total 88%[11] of cumulative consolidated net profit. Further details are available in chapter 1.3 "Dividend Policy".
- MONETA's Total Shareholder Return in 2024 reached 48% (35.7% in 2023)[12], and the dividend yield for the same period was 9.7% (8.5% in 2023)[13].

Market information on shares of the Bank as at 31 December 2024, unless otherwise indicated:

Number of shares issued	511,000,000
Market capitalisation (CZK m)[8]	63,262
Consolidated earnings per share (CZK)[14]	11.4
Consolidated book value per share (CZK)[15]	62.4
Share price (CZK), Prime Market of Prague Stock Exchange[7]	
Closing price as at 30 December 2024	123.8
Maximum closing price during 2024	127.0
Minimum closing price during 2024	93.7

6 Latest available market price of the shares. The Prague Stock Exchange does not trade on 31 December and on weekends.

7 Source: https://www.pse.cz/en/market-data/shares/prime-market.

8 The market capitalisation of the Bank was calculated on the basis of the share price of CZK 123.8 as at 30 December 2024. (Source: https://www.pse.cz/en/market-data/shares/prime-market).

9 Calculated as a percentage of the aggregate market capitalisation of all companies included in the PX index (Source: Prague Stock Exchange www.pse.cz).

10 Calculated as average of daily total turnover in 2024 based on data from https://www.pse.cz/en/detail/CZ0008040318?tab=detail-history.

11 Including the proposed, not yet paid, dividend from the consolidated net profit of 2024.

12 Source: Bloomberg. Total Shareholder Return according to Bloomberg methodology, including reinvested dividend.

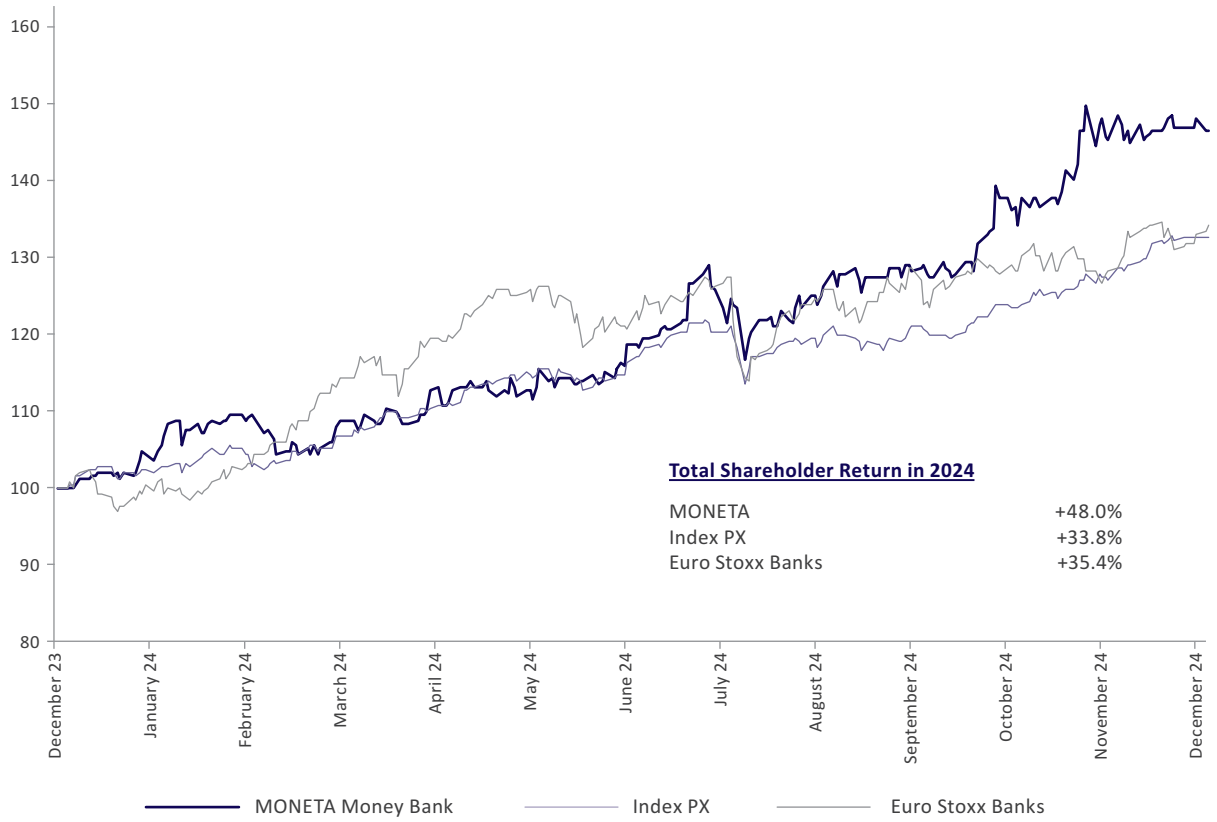
13 The dividend yield per share is calculated as the ratio (expressed as a percentage) of dividends per share distributed during the period and the Bank's shares closing price as at the last trading day of the period. (Source: Prague Stock Exchange).

14 Calculated as consolidated net profit for the year divided by the number of shares issued.

15 Calculated as consolidated Total Equity divided by the number of shares issued.

The following chart shows the development of the Total Shareholder Return in 2024.[16]

TOTAL SHAREHOLDER RETURN (PRICE REBASED TO 100)



16 PX Index - Czech stock market index, Euro Stoxx Banks - European bank index (Stoxx 600).

Living Office

We use the relaxation zones with quality coffee in our head offices to recharge. Such settings have also fostered creative and innovative ideas, making MONETA not only a bank of good deals but also a leader in digital banking.



We are MONETA

1. PROFILE OF MONETA MONEY BANK AND ITS SUBSIDIARIES

1.1 BASIC INFORMATION ABOUT MONETA MONEY BANK AND ITS SUBSIDIARIES

Company name	MONETA Money Bank, a.s.
Registered office	Vyskočilova 1442/1b, Michle, 140 00 Prague 4, Czech Republic, Post code 140 28
Company ID No.	25672720
LEI code	I6USJ58BDV2BO5KP3C31
Legal form	Joint-stock company Registered in the Czech Commercial Register maintained by the Municipal Court in Prague in Section B under Entry No. 5403
Date of registration	9 June 1998
Share capital	CZK 10.22 billion
Paid-up share capital	100%
Type, form and format of issued shares and their nominal value	The company's registered capital is divided into 511,000,000 fully paid ordinary registered book-entry shares with a par value of CZK 20.00 each.
Number of branches (as at 31 December 2024)	124
Organisation units abroad	None
Telephone	+420 224 441 111
Webpage	www.moneta.cz
ISIN/Ticker	CZ0008040318/MONET

MONETA (hereafter also the "Group") is a holding consisting of the parent controlling company MONETA Money Bank, a.s. (hereafter also the "Bank" or "MONETA Money Bank") and its controlled subsidiaries: MONETA Stavební Spořitelna, a.s. (hereafter also the "Building Savings Bank"), MONETA Auto, s.r.o. (hereafter "MONETA Auto") and MONETA Leasing, s.r.o. (hereafter "MONETA Leasing").

The Bank as well as its controlled subsidiaries are headquartered in Prague. The Shared Services Centre is located in Ostrava.

Number of Employees

	2024	2023
Average number of FTEs during the year	2,475	2,493
- of which at branches	1,202	1,240
Number of FTEs as at 31 December	2,490	2,511

Shares and Share Capital

The registered share capital in the amount of CZK 10.22 billion consists of 511,000,000 fully paid ordinary registered book-entry shares with a par value of CZK 20.00 each. No shares in the Bank are owned by the Bank or its subsidiaries or on behalf or for the account of the Bank or its subsidiaries. The Bank has not issued any securities or instruments convertible into or exchangeable for the Bank shares, nor any securities or other instruments with warrants.

All shares in the Bank are traded on the Prime Market organised by Burza cenných papírů Praha, a.s. (hereafter as the "Prague Stock Exchange"), which is a regulated market within the meaning of Sections 55 and 64 of Act No. 256/2004 Coll., on Capital Market Business, as amended (hereafter the "Capital Markets Act"). The shares of the Bank are also traded without the Bank's consent on regulated markets operated by RM-SYSTÉM, česká burza cenných papírů a.s. (on the multilateral trading facility within the meaning of Section 69 of the Capital Markets Act) and can also be traded on certain foreign markets.

Security	Share
ISIN	CZ0008040318
Total nominal value	CZK 10.22 billion
Issued as	Book-entry share
Form	Registered share
Nominal value per share	CZK 20
Market	Prague Stock Exchange
Traded since	6 May 2016[1]

1 On 6 May 2016, the conditional trading in the Bank's shares was commenced. The official trading in the Bank's shares was commenced on 10 May 2016.

Statutory Bodies of the Bank

Members of the Supervisory Board as at 31 December 2024:

Name	Role	Member position held from	Member position held to
Gabriel Eichler	Chairman	26 October 2017 (Chairman since 2 August 2018)	20 December 2025
Miroslav Singer	Vice-Chairman	24 April 2017 (Vice-Chairman since 22 May 2017)	28 April 2025
Clare Ronald Clarke	Member	21 April 2016	19 November 2028
Denis Arthur Hall	Member	21 April 2016	19 November 2028
Kateřina Jirásková	Member	25 April 2023	25 April 2027
Zuzana Prokopcová	Member	19 November 2024	19 November 2028
Klára Escobar	Employee representative	7 May 2021	7 May 2025
Monika Kalivodová	Employee representative	1 June 2024	7 May 2025
Linda Kavanová	Employee representative	1 August 2024	7 May 2025

The function term of Mr. Clare Ronald Clarke, Mr. Michal Petrman and Mr. Denis Arthur Hall expired on 2 September 2024. The Supervisory Board co-opted Mrs. Zuzana Prokopcová (current member of the Audit Committee), Mr. Clare Ronald Clarke and Mr. Denis Arthur Hall as members of the Supervisory Board from 3 September 2024 until the next General Meeting, which took place on 19 November 2024 and at which they were elected as members of the Supervisory Board with immediate effect for another four-year term.

Following the resignation of Mrs. Zuzana Filipová from the Supervisory Board as at 31 May 2024, Mrs. Monika Kalivodová was co-opted by the Supervisory Board as a member of the Supervisory Board representing employees until new elections for employee members of the Supervisory Board are held.

Following the resignation of Mrs. Jana Výbošťoková from the Supervisory Board as at 31 July 2024, Mrs. Linda Kavanová was co-opted by the Supervisory Board as a member of the Supervisory Board representing employees until new elections for employee members of the Supervisory Board are held.

Members of the Management Board as at 31 December 2024:

Name	Role	Member position held from	Member position held to
Tomáš Spurný	Chairman	1 October 2015 (Chairman since 1 October 2015)	3 October 2027
Carl Normann Vökt	Vice-Chairman	25 January 2013 (Vice-Chairman since 1 March 2019)	28 January 2029
Jan Novotný	Member	16 December 2013	18 December 2025
Jan Friček	Member	1 March 2019	2 March 2027
Klára Starková	Member	1 June 2021	1 June 2025
Andrew John Gerber	Member	10 September 2024	10 September 2028

On the proposal and recommendation of its Nomination Committee, the Bank's Supervisory Board elected Mr. Andrew John Gerber as a new member of the Bank's Management Board for a four-year term effective from 10 September 2024.

On the recommendation of its Nomination Committee, the Supervisory Board also approved the reappointment of Mr. Carl Normann Vökt as a member of the Bank's Management Board for a further four years until 28 January 2029. The Bank's Management Board subsequently re-elected him as its Vice-Chairman.

Subsidiaries and associates

Investments in subsidiaries and associates as at 31 December 2024:

Name	Registered office	Business activity	Bank's share in registered capital and voting rights
MONETA Stavební Spořitelna, a.s.	Vyskočilova 1442/1b, Michle, 140 00 Prague 4	Building savings and bridging loans	100%
MONETA Auto, s.r.o.	Vyskočilova 1442/1b, Michle, 140 00 Prague 4	Auto financing (loans and leases)	100%
MONETA Leasing, s.r.o.	Vyskočilova 1442/1b, Michle, 140 00 Prague 4	Financing of loans and leasing	100%
CBCB - Czech Banking Credit Bureau, a.s.	Štětkova 1638/18, Nusle, 140 00 Prague 4	Banking credit register	20%

As at 31 December 2024 MONETA also held a position in Bankovní identita a.s. of 8%.

Credit Rating

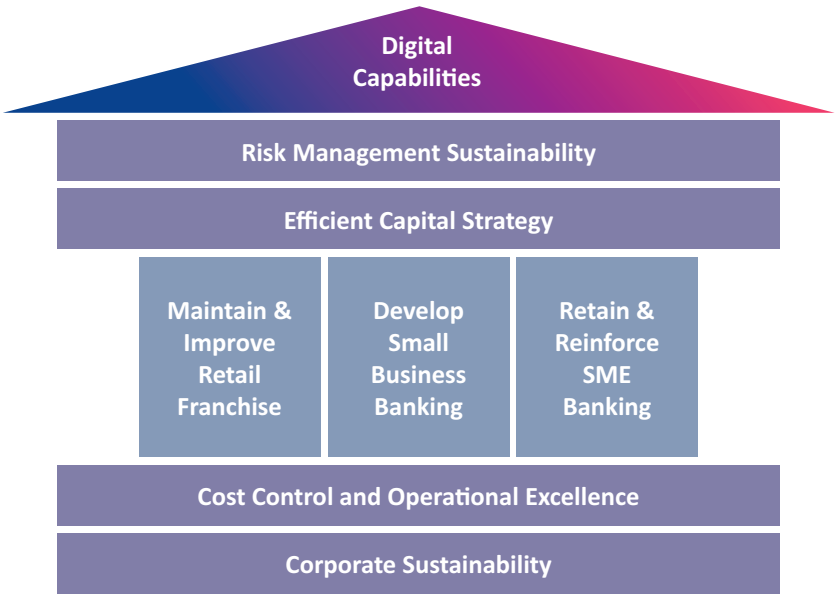
In 2024 the Bank has been assigned following credit rating:

Rating agency	Long-term rating	Outlook	Short-term rating	Long-term rating valid since	Last report date
Moody's Deutschland GmbH	A2	stable	P-1	10 June 2019	16 December 2024

Rating agency Moody's Deutschland GmbH. ("Moody's") is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended (the "CRA Regulation"). As such, Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. When selecting the rating agency, the Bank proceeded in accordance with the obligations laid down in Article 8d of the CRA Regulation.

1.2 STRATEGY

MONETA remains focused on its strategic goals and on meeting commitments to its shareholders.



Maintain and Improve Retail Franchise

- Maintain and further develop its retail banking franchise with a strong focus on mortgage and unsecured consumer lending through a continued concentration on capital returns, risk-based originations and risk management. Additionally, MONETA aims to further expand its offering of third-party products, namely insurance and asset management.

Develop Small Business Banking

- Maintain a strong focus on small business lending represented by self-employed professionals, tradesmen and women, and entrepreneurs, continue in gradually changing the overall business mix, targeting diversification of revenue streams and building recognition of MONETA as a leading retail and small business bank in the Czech Republic.

Retain and Reinforce SME Banking

- Significantly grow its presence within the SME segment and deepen relationships with medium-sized commercial customers, leveraging MONETA's unique position within the agricultural sector of the Czech economy.

Digital Capabilities

- Improve and develop MONETA's digital capabilities through providing lending, deposit and third-party products and services via digital channels, while maintaining the position of digital banking leader in the Czech Republic.

Risk Management Sustainability

- Protect strong asset quality through prudent and sustainable risk management.

Efficient Capital Strategy

- Pursue capital strategy to efficiently allocate capital resources on exposures with sufficient return through diligent capital management.

Cost Control and Operational Excellence

- Focus on efficient cost control and operational excellence in MONETA's processes.

Corporate Sustainability

- Continue to pursue its Environmental, Social and Governance Strategy that is based on MONETA's positive economic, social and environmental impact. MONETA will continue to build its recognition as one of the leaders in reducing its carbon footprint and a corporate leader in e-mobility. MONETA is committed to running its business ethically, including its relationships with its key stakeholders, who play an important part in this strategy, with its suppliers and external organisations; promote a healthy, agile, open and diverse corporate culture based on mutual trust, co-operation, recognition and transparency; MONETA encourages and motivates employees to become more deeply connected with their communities throughout the year as volunteers and continues to support and help non-profit organisations in regions as a part of its corporate philanthropy programme.

1.3 DIVIDEND POLICY

Subject to corporate, regulatory and regulator's limitations, the Bank's target is to distribute the Group's excess capital above that required to meet the Group's internal target of the capital adequacy ratio, which stood at 15.05% as at 31 December 2024. However, the internal capital adequacy ratio target is not legally binding upon the Group and is subject to change on the basis of the ongoing re-assessment by the Management Board of the Bank based on the business results and development. In line with its dividend policy, the Bank is targeting a minimum annual dividend of 70% of consolidated net profit for the year. However, the dividend may potentially increase if less capital is required to fund future loan growth, intangibles and/or potentially decrease in the event of any accretive investment opportunity for the Bank.

Following the approval at the General Meeting held on 23 April 2024, MONETA distributed a dividend relating to 2023 consolidated net profit in the amount of CZK 9 per share to its shareholders, representing a dividend pay-out ratio of 88%. The dividend was paid on 21 May 2024.

On 17 October 2024, the Bank's Management Board announced that it will propose an extraordinary dividend in the amount of CZK 3 per share to be distributed from the retained earnings from the previous year. The dividend was approved by the shareholders at the General Meeting held on 19 November 2024 and was paid on 17 December 2024.

On 31 January 2025, the Bank's Management Board announced that it would propose a dividend for the year 2024 in the amount of CZK 10 per share from the 2024 consolidated net profit for shareholder's approval at the General Meeting, which will be held on 24 April 2025. The total amount of the dividend to be paid will reach CZK 5.1 billion, which represents a payout ratio of 88% of the consolidated net profit for 2024.

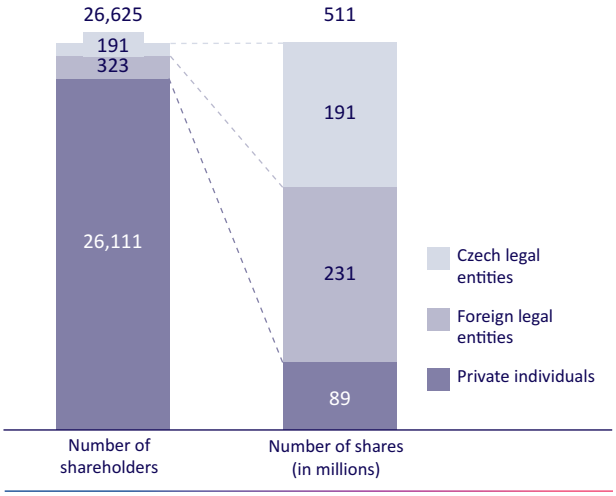
The Bank will pay dividends, if any, to its shareholders in CZK. Each of the Bank's shareholders has the right to receive dividends from the Bank to the extent approved by the General Meeting.

1.4 SHAREHOLDER STRUCTURE

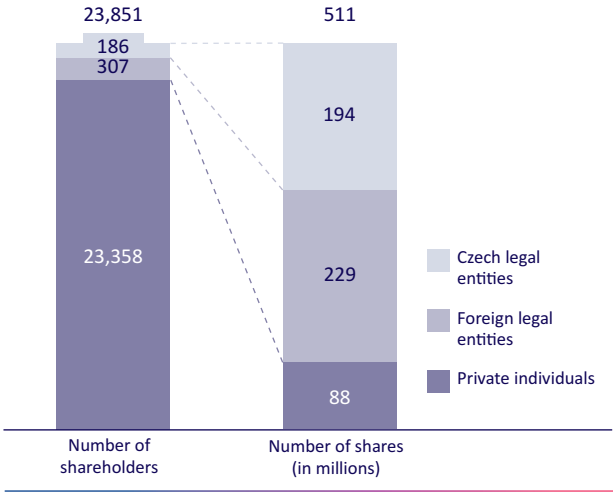
The Bank had more than 26,000 investors from 47 countries according to the excerpt from the Czech Central Securities Depository as at 31 December 2024.

An overview of the shareholder structure of the Bank as at 31 December 2024 and 31 December 2023 (as per the extract from the registry of book-entry shares obtained from the Czech Central Securities) is shown below:

SHAREHOLDER STRUCTURE AS AT 31 DECEMBER 2024



SHAREHOLDER STRUCTURE AS AT 31 DECEMBER 2023



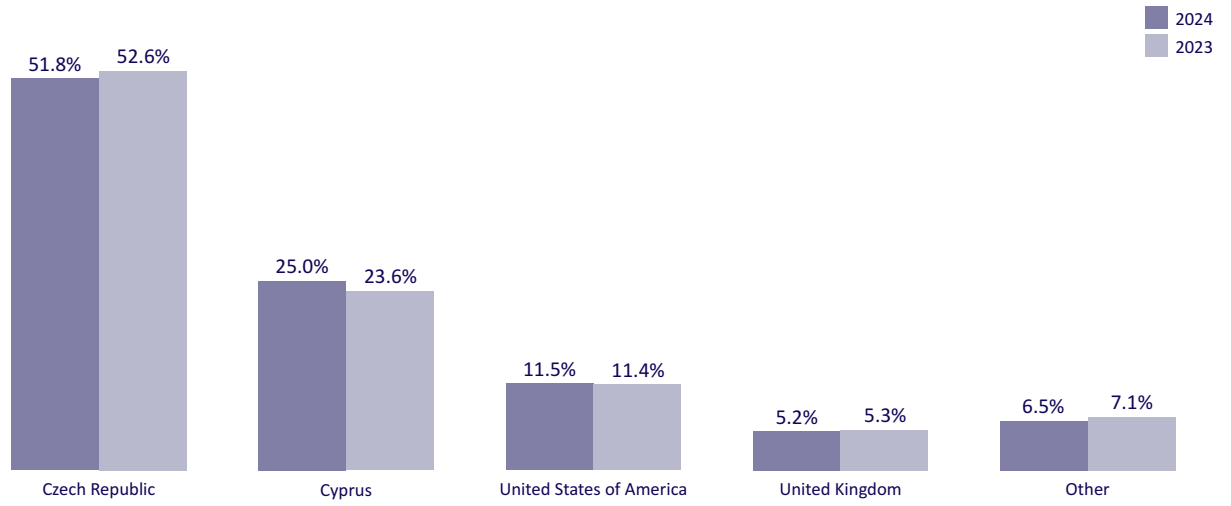
As at 31 December 2024, the following entities were recorded in the registry of book-entry shares maintained by the Czech Central Securities Depository in Prague as holding at least 1% of the registered share capital of the Bank. These entities may not necessarily be the beneficial owners of the Bank shares but may hold shares of the Bank (as custodians, securities brokers, banks, or nominees) for the beneficial owners.

Shareholder	Shareholding
Tanemo a.s.	29.94%
MYTHESSA HOLDINGS LTD	11.20%
MANECOMTE Limited	9.56%
Chase Nominees Limited	3.50%
Banka CREDITAS a.s.	3.49%
Brown Brothers Harriman CO.	2.53%
State Street Bank and Trust Company	2.08%
J.P. Morgan SE - Luxembourg Branch	1.82%
GENERALI CEE Holding B.V.	1.36%
Nortrust Nominees Limited	1.32%
BROWN BROTHERS HARRIMAN (Luxemburg) S.C.A.	1.15%

As at 31 December 2024, the following entities notified the Bank and the Czech National Bank pursuant to Section 122 of the Capital Markets Act of holding a direct or indirect proportion of the Bank's voting rights of at least 1%. These entities have rights pursuant to Section 365 et seq. of Act No. 90/2012 Coll., on business companies and cooperatives (Business Corporations Act), as amended. This list is prepared in accordance with the information sent by the Bank's shareholders to the CNB pursuant to Section 122 of the Capital Market Undertakings Act, which, however, does not impose an obligation to notify the CNB again of a change in the shareholding unless the threshold (1%, 5%, 10% and more) is crossed. Therefore, the amount of the voting shares of the individual shareholders listed may not correspond to their actual shares in the voting rights of the Bank as at 31 December 2024.

Shareholder	Shareholding
AMALAR Holding (Kellner family)	29.94%
Ivan Jakabovič, Jozef Tkáč (MYTHESSA HOLDINGS LTD)	10.37%
MANECOMTE Limited	10.04%
J.P. Morgan Securities Plc	5.96%
BlackRock Inc.	3.41%
NN Investment Partners Luxembourg S.A.	1.36%
Kuwait Investment Authority (KIA)	1.29%
Generali CEE Holding B.V.	1.28%
Schroder International Selection Fund	1.11%
Goldman Sachs Group	1.06%
AllianceBernstein	1.05%
Seafarer Capital Partners	1.00%
American Century Investment Management	1.00%

GEOGRAPHICAL STRUCTURE OF THE BANK'S SHAREHOLDERS AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2023[2]



2 Source: Analysis provided by external company as at December 2024 and December 2023.

MONETA
Retail Academy

Real professionals must continuously educate themselves! That is why every year the employees of the branch network and the Contact Centre undergo intensive training and lectures with experts from the world of finance.



We are MONETA

2. STRATEGY AND RESULTS

2.1 MACROECONOMIC ENVIRONMENT

In 2024, the Czech economy recovered from the economic impacts of the ongoing war in Ukraine. The high inflation of recent years was brought under control and economic growth resumed, albeit at a slow pace. The year 2024 was also characterized by decreasing interest rates, which followed the reduction in inflationary pressures.

Czech gross domestic product increased by 1%[1] year-on-year in 2024. The economy was driven mainly by consumption, which regained momentum as real wages grew. On the other hand, industrial production and foreign trade, which made positive contributions to the economy at the beginning of the year, lost ground and had by the year-end pulled the economy's performance down.

Industrial performance displayed a decelerating trend throughout the year and, as a result, industrial production fell by 3%[2] year-on-year as at December 2024. The key factor of this decrease was the difficult situation in the automotive industry, which suffered a downturn in demand. Industrial new orders were flat[2] year-on-year to December 2024, mainly due to weak orders in the automotive sector.

Czech consumers benefited from lowering inflation, although the average annual inflation rate was 2.4% in 2024, and consumer prices grew by 3%[3] year-on-year as at December 2024. Increases in consumer prices were outweighed by growing average gross nominal wages, which increased by 7% year-on-year in the third quarter of 2024 and by 4.6%[4] in real terms.

Increasing real wages and improved consumer sentiment positively affected retail sales, which rose by 4.6%[5] in 2024 over 2023. This was underpinned by very low unemployment levels, with the unemployment rate at 2.7%[6] in December 2024, lower by 10bps year-on-year.

The lower inflation rate provided the Czech National Bank with the room to continue reducing interest rates, which began in December 2023 with a 25bps cut[7], and continued in 2024 with the Czech National Bank lowering its base rate from 6.75% to 4%[8] in seven steps. In February 2025, the Czech National Bank performed an additional 25bps cut, thus moving its key interest rate to 3.75%[9].

The Czech economy experienced a year of slow recovery from the mild recession of 2023. National economic performance continuously improved throughout 2024, although its drivers changed. At the beginning of 2024, stronger international demand supported gross domestic product with exports. In the second half of 2024, however, industrial production started to weaken and household consumption moved into the driving seat of the domestic economy.

Positive economic prospects are predicted for 2025. On the other hand, international risks, such as the continuing war in Ukraine, the weak performance of the German economy, and the threat of international trade wars, supress the growth outlook for the Czech Republic. These risks, if elevated, might lead to a worse than expected economic performance for the country.

2.2 MARKET DEVELOPMENT

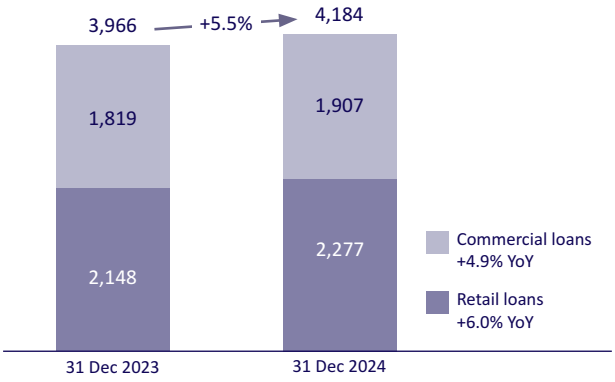
During 2024, the Czech banking sector maintained a positive trend: loans increased by 5.5% and deposits rose by 7.6% year-on-year.[10]

The overall volume of loans provided by the Czech banking sector reached CZK 4,184 billion, up by 5.5% year-on-year. The retail lending market continued to show steady growth, with a 6% year-on-year rise to CZK 2,277 billion, while the commercial segment experienced a slightly slower, but still solid, increase of 4.9% year-on-year to CZK 1,907 billion.[11] The rise in the retail segment was primarily driven by consumer loans, building savings loans and overdrafts.[12] The

1 Source: Czech Statistical Office: GDP Preliminary Estimate - 4th quarter of 2024.
2 Source: Czech Statistical Office: Industry - December 2024.
3 Source: Czech Statistical Office: Consumer price indices - inflation - December 2024.
4 Source: Czech Statistical Office: Average wages - 3rd quarter of 2024.
5 Source: Czech Statistical Office: Retail trade - December 2024.
6 Source: Czech Statistical Office: Rates of employment, unemployment and economic activity - December 2024.
7 Source: Czech National Bank: CNB Board decisions, 21 December 2023.
8 Source: Czech National Bank: CNB Board decisions, 8 February 2024, 20 March 2024, 2 May 2024, 27 June 2024, 1 August 2024, 25 September 2024, 7 November 2024.
9 Source: Czech National Bank: CNB Board decisions, 6 February 2025.
10 Source: CNB ARAD monthly report banking sector, residents incl. building societies, deposits and loans according to sector.
11 Source: CNB ARAD monthly report banking sector, residents incl. building societies, loans according to sector.
12 Source: CNB ARAD monthly report banking sector, residents incl. building societies, household loans according to type in CZK.

commercial segment recorded growth in all categories, but medium-term loans saw the most significant increase.[13]

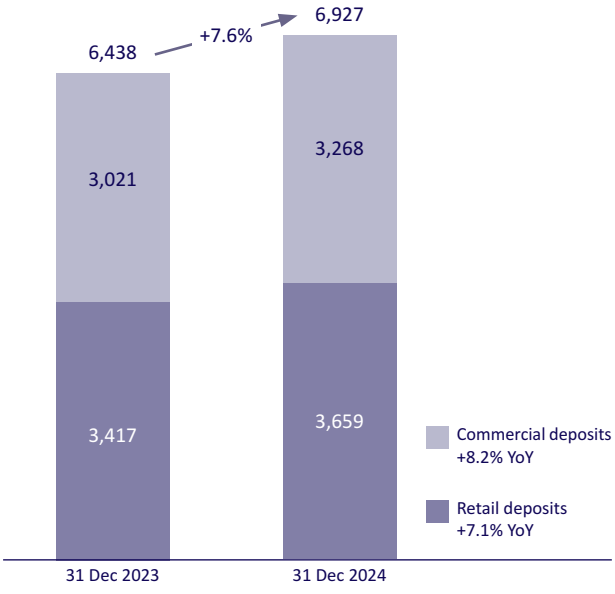
CZECH LENDING MARKET (in CZK bn)



Figures in the chart may not add up to the total due to rounding differences.

The deposit market in the Czech Republic reached a total of CZK 6,927 billion in 2024, up by 7.6% year-on-year. Retail deposits grew by 7.1% year-on-year to CZK 3,659 billion, which was driven mainly by non-term deposits as term deposits declined. Commercial deposits had an increase of 8.2% year-on-year to CZK 3,268 billion, with growth in both non-term and term deposits.[14]

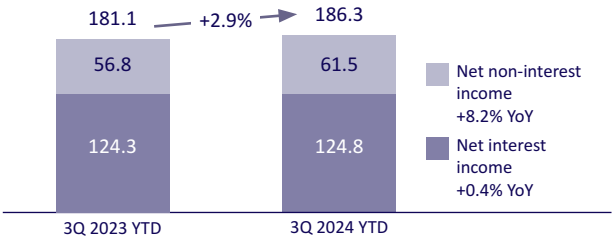
CZECH DEPOSIT MARKET (in CZK bn)



Throughout the year, the CNB gradually reduced the key 2-week repo rate from 6.75% in January 2024 to 4% valid in December 2024. Interest rates in the banking sector decreased compared to 2023, except for mortgage rates. Retail loan interest rates marginally declined year-on-year in consumer loans by 4bps, while mortgages rose by 38bps. Interest rates on commercial loans decreased by 186bps year-on-year.[15] Deposit interest rates declined in both segments compared to the previous year; commercial deposit interest rates fell by 115bps and retail deposit interest rates by 70bps year-on-year.[16]

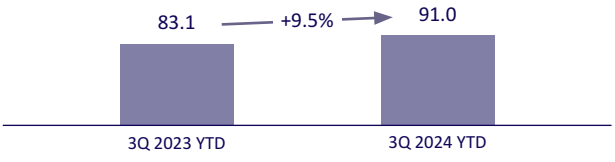
In the first three quarters of 2024, the total operating income of the Czech banking sector increased by 2.9% year-on-year to CZK 186.3 billion, largely due to an 8.2% growth in net non-interest income to CZK 61.5 billion. This was driven by gains from fees and foreign exchange operations. Net interest income grew by 0.4% year-on-year to CZK 124.8 billion, reflecting a decline in the cost of funding.[17]

CZECH BANKING MARKET – TOTAL OPERATING INCOME (in CZK bn)



The net profit of the entire Czech banking sector for the first three quarters of 2024 increased by 9.5% year-on-year to CZK 91 billion. This was driven by higher total operating income and a decreasing cost of risk thanks to good portfolio performance across the whole banking market.[17]

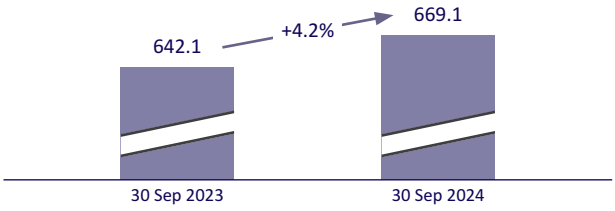
CZECH BANKING MARKET – NET PROFIT (in CZK bn)



The capitalisation of the Czech banking sector remained strong as at 30 September 2024, resulting from a combination of prudent management and strong business performance. Tier 1 capital increased by 4.2% year-on-year to CZK 669.1 billion as at the end of the third quarter of 2024.[17]

13 Source: CNB ARAD monthly report banking sector, residents incl. building societies, loans to non-financial businesses and entrepreneurs according to time.
14 Source: CNB ARAD monthly report banking sector, residents incl. building societies, deposits according to time.
15 Source: CNB ARAD monthly report banking sector, residents incl. building societies, loan interest rates - outstanding amounts.
16 Source: CNB ARAD monthly report banking sector, residents incl. building societies, deposit interest rates outstanding amounts.
17 Source: CNB ARAD quarterly mandatory disclosures, total banking sector.

CZECH BANKING MARKET – TIER 1 CAPITAL (in CZK bn)



2.3 REPORT ON BUSINESS ACTIVITIES

2.3.1 Overview

MONETA is positioned uniquely as a mid-sized bank with market-leading digital capabilities, a well-established position in Czech household financing, and a growing position in the small business segment. It seeks to provide excellent product propositions to clients from these segments, accompanied by the best possible customer experience.

MONETA has built a strong and well-recognised brand within the Czech Republic. The brand is built around trust, stability, innovation, fairness and transparency. This was established following the IPO on the Prague Stock Exchange in 2016, and within two years had reached the level of spontaneous awareness enjoyed by its predecessor brand. In 2024, spontaneous awareness reached an average of 49%.[18]

The Bank is regulated by the Czech National Bank and holds a universal banking licence.

Operating Platform

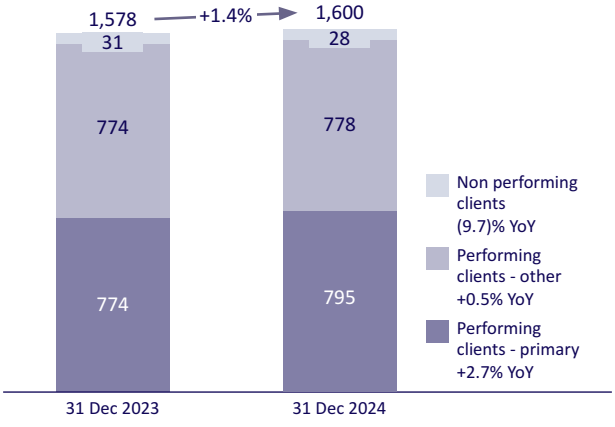
MONETA operates through a well-dispersed network within the Czech Republic, comprising 124 branches as at 31 December 2024 and a full-service contact centre. The Bank has a front-office staff totalling 1,352 people. MONETA also operates a network of 557 of its own ATMs with a further 1,409 ATMs[19] available free of charge to its clients via an alliance with three other banks. During 2024 a deposit-taking function was enabled on 795 ATMs of the shared network. Together, MONETA's branch and ATM networks provide extensive coverage of the entire country, with a particular strength in smaller cities and towns, which are relatively underserved by other banks.

In 2024, in line with its strategy, MONETA discontinued distribution through third-party brokers to focus on sales through its own branch network and via its digital channels. However, car dealers continue to be an important distribution channel for MONETA Auto.

MONETA benefits from a market-leading digital banking platform, which is an important channel for both sales and services.

As at 31 December 2024, MONETA served 1.6 million retail and commercial clients, an increase of 1.4% year-on-year, with deposit products continuing to be the main attraction for new clients. MONETA's client base represents approximately 15% of the Czech population.

CLIENT BASE EVOLUTION (number of clients in thousands)



Figures in the chart may not add up to the total due to rounding differences.

Business Segments

MONETA's business is organised into two main segments: retail and commercial. These segments are reported separately in MONETA's financial statements, along with a third operating segment, "Treasury/Other".

The retail and commercial segments manage product and service propositions customised for their respective clients. The retail business provides banking services to individuals, with a focus on the mass market. The commercial business provides banking services primarily to SME clients with a particular focus on small businesses and entrepreneurs. There is, however, a considerable overlap between the client bases and synergies in terms of the physical and digital infrastructure of the Group.

The retail banking proposition includes the following key products:

- Deposit products: current accounts, savings accounts, building savings accounts, term deposits and transactional banking products, including payment services and debit cards;
- Lending products: consumer loans, credit cards, overdrafts, mortgages, building savings loans,

18 Source: CONFESS Research 2024, Retail.

19 The ATM shared network included as at 31 December 2024 also Komerční Banka (791 ATMs), AirBank (367 ATMs) and UniCredit Bank (251 ATMs).

bridging loans and auto loans; and
- Supplementary third-party products such as insurance and investment funds.

The commercial banking proposition includes the following key products:

- Deposit products: current accounts, savings accounts, building savings accounts, term deposits and transactional banking products, including payment services and debit cards;
- Lending products: investment loans (including real estate loans), operating financing loans, leasing products, building savings loans and bridging loans; and
- Supplementary products such as domestic and foreign payments, merchant acquiring, insurance, investment funds, treasury and trade finance products.

A revival in demand for lending products increased both the retail and commercial loan portfolios. MONETA reported total gross performing loans in the amount of CZK 275.9 billion as at 31 December 2024, up 4.5% year-on-year. The volume of new loans increased by 53.4% year-on-year to CZK 62.5 billion. Customer deposits also increased by 7.7% year-on-year to CZK 429.8 billion, despite the repricing of deposit products during 2024.

2.3.2 Retail Segment Business Performance

MONETA provides a full retail banking proposition covering the main borrowing, saving/investing and transactional needs of customers, as well as a wide range of insurance needs. MONETA has a market-leading digital proposition for retail clients built around its secure digital banking platform.

In the retail segment, MONETA served 1.5 million clients, up 0.9% year-on-year. The retail active base remained stable in 2024, with 71%, or 1 million, of all retail clients were considered active. MONETA continued to enjoy high levels of loyalty; 62% of customers have had a relationship with MONETA for more than 8 years. Clients positively rated the mobile banking application Smart Banka[20] and the staff at MONETA's branches.

Overall, MONETA maintained a retail market share of 13.4%[21] in consumer loans, 7.4%[21] in retail mortgages and 8.9%[22] in retail deposit balances in the Czech banking market as at 31 December 2024.

2.3.2.1 Retail Segment Strategic Priorities Delivery

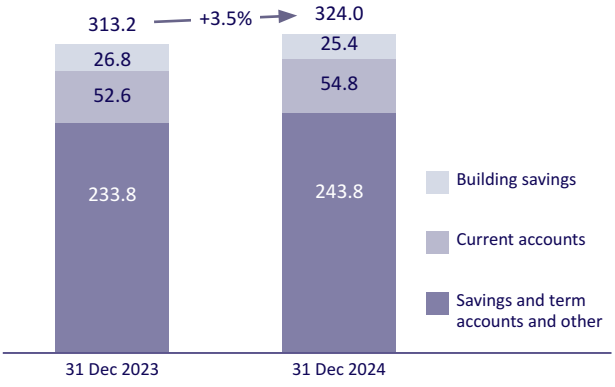
MONETA's retail business focused on four key strategic priorities, with a strong focus on deposits in the context of the higher interest rate environment of 2024:

1. Retention of deposit balances through market leading daily banking and savings proposition;
2. Returning to sustainable growth in unsecured consumer lending and mortgage loans;
3. Continued growth in wealth management and insurance distribution businesses;
4. Continued optimisation of the digital platform and physical presence to build a market leading customer service proposition.

1. Retention of Deposit Balances through Market Leading Daily Banking and Savings Proposition

Retail customer deposits grew by 3.5% year-on-year, from CZK 313.2 billion as at 31 December 2023 to CZK 324 billion as at 31 December 2024. The relatively lower growth in retail deposits was the result of MONETA's focus on reducing the cost of funding on customer deposits and the gradual reduction of interest rates offered, in line with the decline in the two-week repo rate. The shift of customer funds from deposit products to higher yielding wealth management products also had a significant impact. Here, MONETA recorded an 88.2% increase in new volumes to CZK 23.5 billion, with approximately 70% of new production coming from savings and term deposits. As a result of the repricing of savings and term accounts, the cost of funds on retail deposits decreased from 3.5% in 2023 to 3.1% in 2024.

RETAIL CUSTOMER DEPOSITS (in CZK bn)



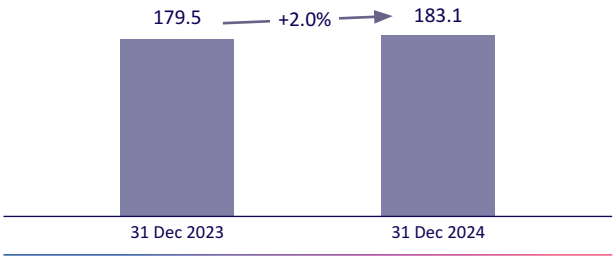
20 Source: https://play.google.com/store/ https://www.apple.com/app-store/.
21 Source: CNB ARAD monthly report banking sector, residents incl. building societies, household loans according to type in CZK – consumer loans and mortgages.
22 Source: CNB ARAD monthly report banking sector, residents incl. building societies, deposits according to time – households.

2. Returning to Sustainable Growth in Unsecured Consumer Lending and Mortgage Loans

MONETA increased lending activity during 2024 thanks to the revival in demand for lending products.

The retail gross performing loan portfolio grew by 2% year-on-year, from CZK 179.5 billion as at 31 December 2023 to CZK 183.1 billion as at 31 December 2024.

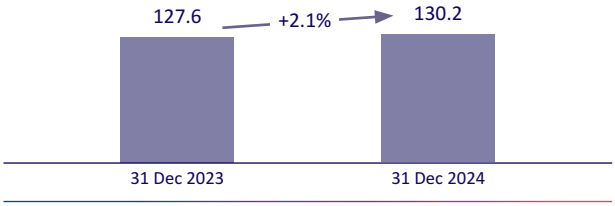
GROSS PERFORMING RETAIL LOAN PORTFOLIO (in CZK bn)



The increase in the portfolio was driven by new retail loan volumes of CZK 37 billion in 2024, up 59.4% year-on-year.

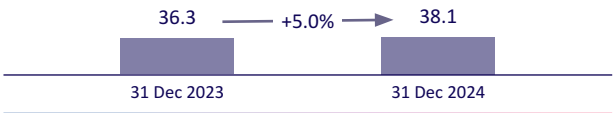
Mortgage loan production increased by 104.4% year-on-year to CZK 15.1 billion. As a result, the gross performing mortgage loan portfolio reached CZK 130.2 billion, up 2.1% year-on-year, as at 31 December 2024.

GROSS PERFORMING MORTGAGE PORTFOLIO (in CZK bn)



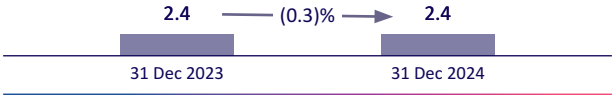
New volumes of consumer loans, including building savings loans and internally refinanced volumes, increased by 39.7% year-on-year to CZK 20.4 billion, resulting in a gross performing consumer loan portfolio balance of CZK 47.8 billion, up CZK 0.7 billion or 1.5% year-on-year as at 31 December 2024. The gross performing consumer loan portfolio, excluding building saving loans, grew by 5% year-on-year to CZK 38.1 billion, supported by new volumes, which grew by 47% year-on-year to CZK 20.2 billion.

GROSS PERFORMING CONSUMER LOAN PORTFOLIO (in CZK bn)[23]



The gross performing revolving loan portfolio of credit cards and overdrafts remained stable at CZK 2.4 billion.

GROSS PERFORMING CREDIT CARD AND OVERDRAFT PORTFOLIO (in CZK bn)



3. Continued Growth in Wealth Management and Insurance Distribution Businesses

Throughout 2024 MONETA focused on its strategic goal of expanding the distribution of third-party products. The outstanding balance of distributed wealth management products reached CZK 59.4 billion, up 54.2% year-on-year. This was supported by a record net new investments of CZK 23.5 billion, up 88.2% compared to 2023, as clients turned to investing in funds in search of higher yields due to declining interest rates on deposit products. MONETA's regular introduction of new funds is a compelling and attractive proposition, which contributed to the success. As a result, the income from this category more than doubled to CZK 739 million in 2024, up by 123.3% year-on-year.

Insurance distribution generated stable income of CZK 1.2 billion in 2024, up 0.9% year-on-year, however the recurring income increased by 18.6% year-on-year, driven by the distribution of life and other insurance products. The annual premium equivalent of sold life insurance products reached CZK 169 million, an increase of 19.1% compared to CZK 142 million in 2023. The number of new pension insurance contracts reached 32,000 units, a decrease of 13.5% year-on-year. Personal item insurance continued to develop well, with almost 45,000 units sold in 2024, up 7.2% year-on-year. Payment protection insurance also continued to grow, with gross written premiums increasing by 5.1% year-on-year.

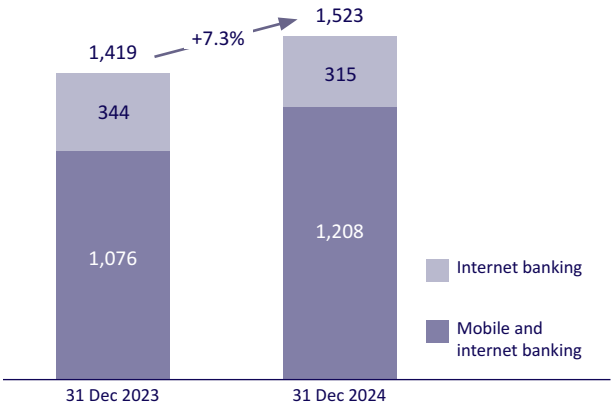
4. Continued Optimisation of the Digital Platform and Physical Presence to Build a Market Leading Customer Service Proposition

MONETA's strategy is to maintain its position as the digital leader in the Czech banking market while continuing to provide high quality, in person support for clients with more complex needs. MONETA continues to focus on moving daily banking and basic servicing operations online. As at 31 December 2024, MONETA had 1.5 million users of its online platform, representing 7.3% growth year-on-year, with retail representing the majority. The popularity of online channels is reflected in their usage. In 2024, the average number of visits to online channels per day,

23 Excluding building savings loans.

from both, retail and commercial clients, was 684,000, and 66% of all payment transactions were initiated through digital channels. Growth is also visible in loan applications, with 707,000 initiated online, a 19.5% increase on 2023.

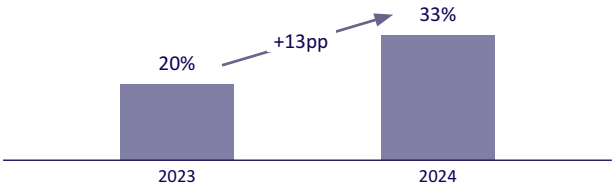
NUMBER OF DIGITAL PLATFORM USERS (in thousand)



Figures in the chart may not add up to the total due to rounding differences.

In 2024 MONETA made significant progress in moving mortgage servicing online, with 85% of servicing operations initiated through digital channels in December 2024 (compared to 39% in January 2024). Regarding loan origination, MONETA merged the online and branch-based mortgage platforms to create a truly omnichannel customer experience, allowing clients to move seamlessly between channels throughout the origination process. In 2024, 33% of all newly signed mortgage volumes were originated online.

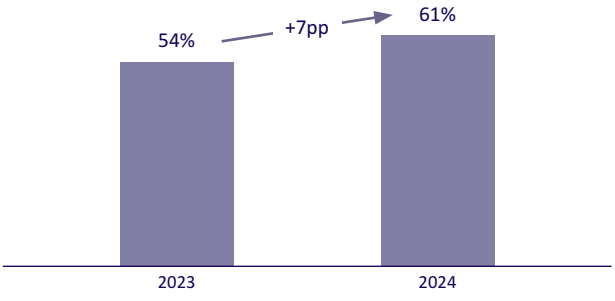
SHARE OF NEWLY SIGNED MORTGAGE VOLUMES ORIGINATED ONLINE



MONETA intends to extend this model to other products and will continue to rationalise and modernise the branch network as its role changes from daily banking to the sale and advisory on complex products.

Regarding retail deposits, MONETA, in line with its strategy, continued to enhance the digital deposit product proposition, resulting in more than 234,000 new deposit products, excluding building savings, originated online in 2024, which represents a 61% share on total newly opened retail deposit products. More than half of the units, approximately 140,000, are represented by term deposits, where the online share reached 79% in 2024.

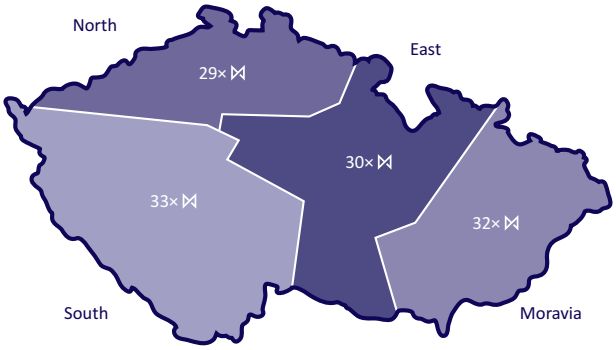
SHARE OF RETAIL DEPOSIT PRODUCTS ORIGINATED ONLINE[24]



Branch Network

As at 31 December 2024, MONETA operated a network of 124 well-distributed branches, providing convenient access for clients across the entire Czech Republic. The network is managed in four areas[25], with 38 sales teams, two mortgage teams and four investment teams. MONETA's branch network serves both retail and commercial segments and during 2024 had 1.6 million visits to its branches, of which approximately 590,000 were visits from unique clients. Branches continued to play an important role in loan originations, with more than 770,000 loan applications originated at branches in 2024, up 7.8% year-on-year.

BRANCH NETWORK REGIONAL DISTRIBUTION



MONETA recognises the need to maintain an adequate physical presence, although this is being optimised based on changing customer preferences and behaviour as the digital proposition gains traction in both sales and services. MONETA invests strategically in the modernisation of its flagship branch locations and in the refurbishment of smaller locations, which creates a unique space for meeting and advising clients, whilst using digitalisation to streamline both the customer experience and administrative processes.

24 Excluding building savings.

25 Effective from 1 January 2025, MONETA's branch network is managed in six regional areas.

During 2024 MONETA closed 10 branches, mainly those with the lowest traffic. Additionally, eight branches were modernised and three branches were relocated to more attractive locations.

ATM Network

As at 31 December 2024, MONETA operated its own network of 557 ATMs. They process an average of 1.2 million cash withdrawals per month, with all locations equipped for contactless transactions and 197 locations capable of taking deposits.

MONETA established a partner ATM network with Komerční banka in 2022, which was further expanded by the addition of two other banks, Air Bank and UniCredit Bank, in early 2023. In addition, during 2024, part of the shared ATM network was equipped with a deposit function. As at 31 December 2024, the shared ATM network consisted of 1,966 ATMs (of which 795 were deposit ATMs), providing wide coverage in high-traffic areas and offering convenient access to withdrawals, deposits and a range of other services.

The shared ATM network also allows for the reduction of overall costs and also reduces the environmental impact by relocating and rebalancing ATM coverage.

2.3.3 Commercial Segment Business Performance

The commercial division provides a full range of commercial products to clients from all segments of the market, with a focus on small business clients.

MONETA served more than 145,000 commercial clients as at 31 December 2024, up 6.8% year-on-year, driven by continued growth in the small business segment.

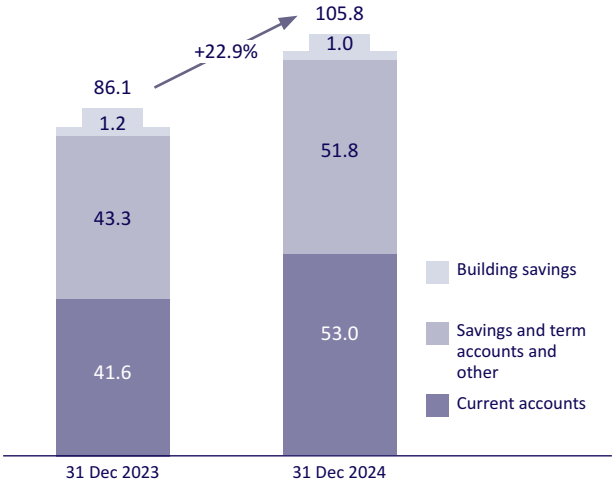
The commercial division has countrywide coverage, with commercial clients supported by a network of 124 retail branches. In line with its strategy of promoting lending growth to the small business sector, MONETA employed 138 small business segment bankers as at 31 December 2024. Small business bankers provide specific small business products and service knowledge combined with industry know-how. In addition, the division also has an experienced team of 126 relationship managers with expertise in serving SME customers and a smaller team of bankers for real estate and corporate clients. MONETA Auto's products are distributed through a wide network of 1,155 car dealers.

Overall, MONETA had a market share of 5% in commercial lending and 3% in commercial deposits in the Czech market as at 31 December 2024.[26]

Commercial Customer Deposits

MONETA's commercial deposit balance amounted to CZK 105.8 billion as at 31 December 2024, up 22.9% year-on-year, with such growth resulting from attractive propositions on savings accounts and term deposits together with targeted, segment specific, offers.

COMMERCIAL CUSTOMER DEPOSITS (in CZK bn)

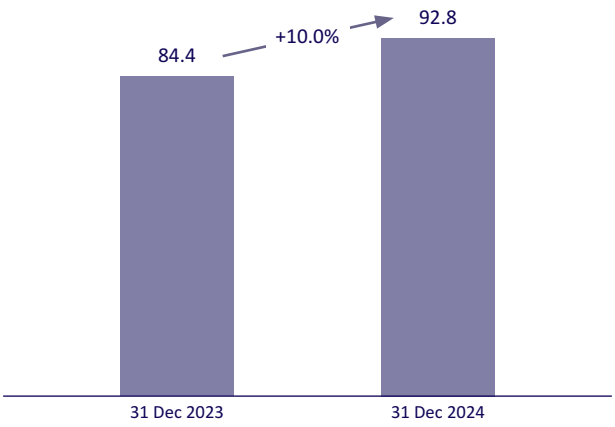


The cost of funds on commercial deposits peaked in 4Q 2023 and 1Q 2024 when it reached 2.8%. Following cuts to the key market rate by the CNB, and the subsequent reduction in MONETA offered rates, the cost of funds began to decline. For the full year 2024 it reached 2.2%.

Commercial Lending Portfolio

The commercial loan portfolio comprised CZK 92.8 billion in gross performing loans as at 31 December 2024, up 10% year-on-year. The increase was mainly driven by investment loans portfolio (up 10.8% year-on-year), the small business loan portfolio (up 17.6% year-on-year) and the working capital portfolio (up 7.7% year-on-year).

GROSS PERFORMING COMMERCIAL LOAN PORTFOLIO (in CZK bn)



26 Source: CNB ARAD, total commercial loans and deposits excluding non-residents.

2.3.3.1 Commercial Segment Strategic Priorities Delivery

MONETA focused on maintaining and further developing its capabilities in the small business and agricultural segments whilst continuing its targeted approach to the SME segment. In parallel it continues to focus on digital transformation in the commercial segment, with a particular focus on the small business proposition.

Key strategic priorities for commercial banking in 2024 were fully aligned with the overall strategy to become a leading provider of services to small businesses and SMEs through both a truly national network of specialised bankers and innovative digital servicing channels. The five key priorities in the commercial segment remain unchanged and are as follows:

1. Further develop small business segment financing capabilities;
2. Continue digital transformation for small businesses and SMEs;
3. Maintain SME lending portfolio, optimise its capital intensity and profitability;
4. Maintain profitable growth in MONETA Auto; and
5. Develop the capability to provide sustainable financing to small businesses and SMEs.

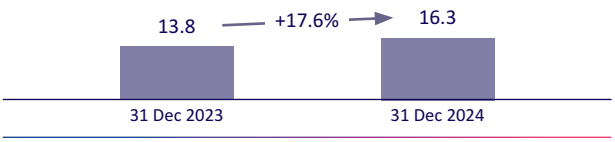
1. Further Develop Small Business Segment Financing Capabilities

MONETA has remained focused on becoming a market leader in serving small business clients through its proprietary service model. The model comprises specialised physical distribution, the development of new products and further expansion of digital distribution channels.

The number of dedicated small business bankers stood at 138 as at 31 December 2024. MONETA intends to continue its focus on the training and effectiveness of its sales force so as to further increase physical distribution capacity and to leverage its strong digital presence, thus providing customers with a choice of sales and service through either channel.

The gross performing small business loan portfolio reached CZK 16.3 billion, up 17.6% year-on-year. The increase was driven by a key small business product – an instalment loan. The total gross performing balance of this product grew by 21.9% year-on-year to CZK 14.1 billion. In the same period, the gross performing portfolio of commercial overdraft loans decreased by 11.3% year-on-year to CZK 1.6 billion, and the gross performing portfolio of unsecured commercial credit cards increased by 27.3% year-on-year to CZK 0.6 billion.

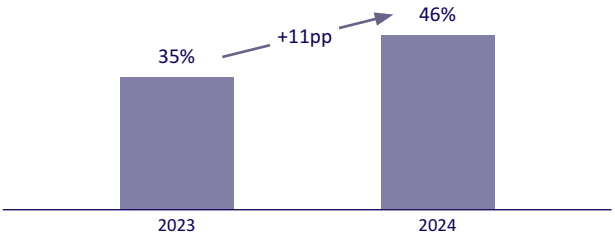
GROSS PERFORMING SMALL BUSINESS LOAN PORTFOLIO (in CZK bn)



2. Continue Digital Transformation for Small Businesses and SMEs

MONETA sees continuing its digital transformation for commercial clients as pivotal for the further expansion of its commercial distribution capabilities as well as for positioning MONETA for the future. In 2024, MONETA continued to develop its fully digital solutions and expanded the range of products offered fully online in its mobile and internet banking platforms. The share of small business instalment loans provided via online channels increased from 35% in 2023 to 46% in the year 2024, driven by an optimised online product offering together with continuous online marketing support and a focus on effectivity.

SHARE OF SMALL BUSINESS INSTALMENT LOANS ORIGINATED ONLINE



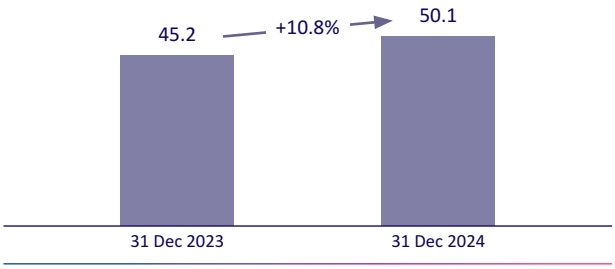
MONETA continued to digitise and automate processes in the branch network and focused on developing the ability to digitally sign contracts that originated in physical distribution. In the small business lending process, a possibility to sign branch-originated contracts by BankID (digital authentication) was added to the signing processes in the Internet Banka and Smart Banka channels, enabling a seamless omnichannel process. In the SME lending process, MONETA introduced the possibility to digitally sign contracts using BankID in a fully integrated solution in 2023, and in 2024 MONETA automated digitally signed documentation processing, further increasing effectivity of the process

3. Maintain SME Lending Portfolio, Optimise its Capital Intensity and Profitability

MONETA remains focused on maintaining an SME lending portfolio as it is vital to delivering a strong commercial performance. The key focus is on portfolio quality, capital deployment and profitability.

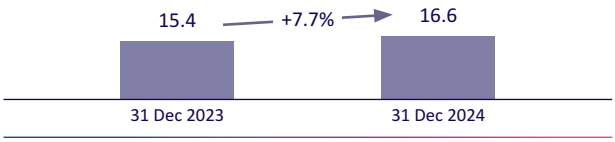
Overall, the gross performing investment loan portfolio increased by 10.8% year-on-year from CZK 45.2 billion as at 31 December 2023 to CZK 50.1 billion as at 31 December 2024. Growth was supported by a strong performance in the agricultural segment and growth in real estate secured lending.

GROSS PERFORMING INVESTMENT LOAN PORTFOLIO (in CZK bn)



The gross performing working capital portfolio balance grew by 7.7% year-on-year, reaching CZK 16.6 billion as at 31 December 2024 compared to CZK 15.4 billion as at 31 December 2023.

GROSS PERFORMING WORKING CAPITAL PORTFOLIO (in CZK bn)

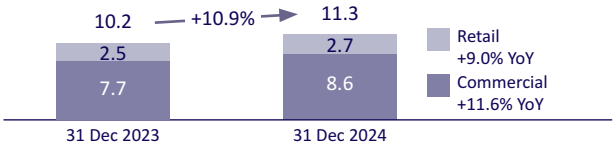


Throughout 2024, MONETA continued optimisation of the capital deployed in SME lending through credit risk mitigating techniques, namely through collateral management (i.e., state guarantees, cash collaterals, cross-collaterals), a new type of general pledge contract that allows more effective collateral allocation, and other measures.

4. Maintain Profitable Growth in MONETA Auto

All retail and commercial activities of MONETA Auto are managed by the commercial division. Gross performing MONETA Auto loans increased by 10.9% year-on-year from CZK 10.2 billion as at 31 December 2023 to CZK 11.3 billion as at 31 December 2024 (including inventory financing). In the commercial segment, gross performing loans increased by 11.6% year-on-year to CZK 8.6 billion as at 31 December 2024, whilst in the retail segment, gross performing loans increased by 9.0% to CZK 2.7 billion as at 31 December 2024.

GROSS PERFORMING MONETA AUTO LOAN PORTFOLIO (in CZK bn)



In 2024, MONETA Auto focused on maintaining the profitability of its products, new volume delivery and the digitalization of internal processes. The market for new cars continued to grow by 4.6%[27], while the used-car market remained stable. MONETA Auto increased its market share as new business volume originations grew by 11.3% year-on-year.

In the area of digitalisation, MONETA Auto continued to focus on the development of new functions within its internal systems, the implementation of legal requirements and on paperless contract processes. The share of digitally (paperless) signed contracts reached 92% in full-year 2024. New regulatory requirements for the online insurance model and the implementation of electronic ID card processes were successfully implemented.

5. Develop the Capability to Provide Sustainable Financing to Small Businesses and SMEs

In 2024 MONETA secured a EUR 100 million loan from the European Investment Bank to support small and medium-sized enterprises in the Czech Republic. This loan will significantly enhance environmental sustainability and competitiveness. Notably, MONETA will double this amount, bringing the total investment to EUR 200 million. At least 12% of the total funds will be allocated to climate and environmentally positive projects, underscoring MONETA's commitment to sustainable development.

Throughout 2024 MONETA continued to provide small business loans secured by a portfolio guarantee under the Employment and Social Innovation programme initiated by the European Investment Fund (EaSI), as well as via its first sustainable financing product for commercial clients called "Green Expres Business".

The main goal of the EaSI programme is to improve access to financial resources for market-disadvantaged entities. Through this programme, MONETA offers more favourable lending for women entrepreneurs, self-employed people and small companies affected by the energy crisis. The benefits include a lower interest rate, the availability of a higher financed amount and the possibility of deferring the first principal payment by up to six months.

"Green Expres Business" is an unsecured instalment loan for financing energy-saving and/or environmentally oriented projects of up to CZK 2.5 million. The benefits of the product include financing of up to 100% of the costs, loan maturity of up to 15 years, and no collateral requirements.

27 Source: https://portal.sda-cia.cz/stat.php?n#rok=2024&mesic=12&kat=OA&vyb=cel&upr=&obd=m&jine=false&lang=CZ&str=nova (Czech only).

2.3.4 Treasury Segment Performance and Other

The Bank offers currency trading services such as currency spots, currency swaps and forwards, to its commercial clients, especially from the SME segment. These trades are intended for hedging clients' currency risks and their average monthly volume in 2024 was CZK 2.2 billion.

MONETA also has a trade finance desk providing other services to its commercial clients active in both domestic and foreign trade. Its main areas of focus are customers operating in the construction and industry sectors. The offered products include bank guarantees, letters of credit and documentary collections.

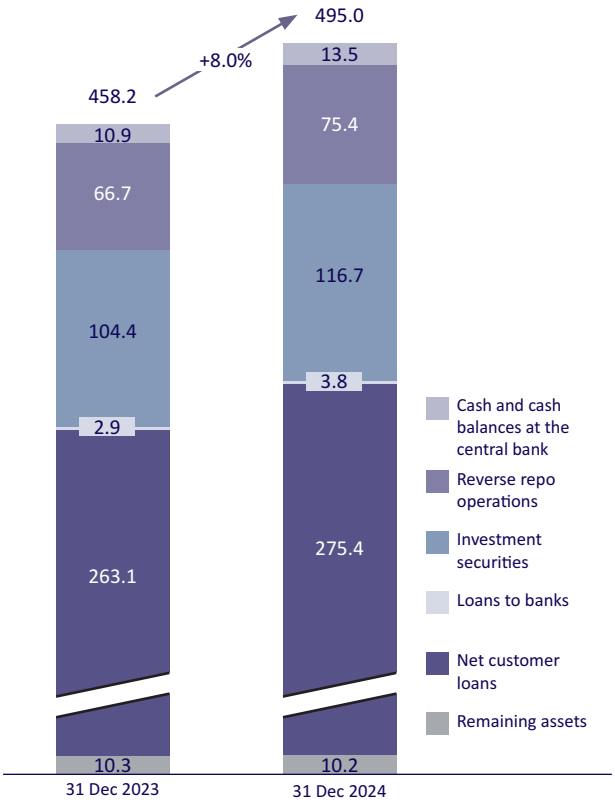
2.4 GROUP FINANCIAL OVERVIEW

2.4.1 Statement of Financial Position Analysis

MONETA continued to maintain a strong, highly liquid, and well-secured balance sheet, which at 31 December 2024 stood at CZK 495 billion. This is an increase of 8% year-on-year, driven by deposit base expansion and the MREL bond issue.

2.4.1.1 Total Assets

TOTAL ASSETS[28] (in CZK bn)



Figures in the chart may not add up to the total due to rounding differences.

Cash and Transactions with the Central Bank

The balance of cash and cash at the central bank, including reverse repo operations, increased by 14.6% year-on-year to CZK 88.9 billion as at 31 December 2024. Growth was mainly observed in reverse repo operations with the CNB, which increased by 12.9% year-on-year to CZK 75.4 billion.

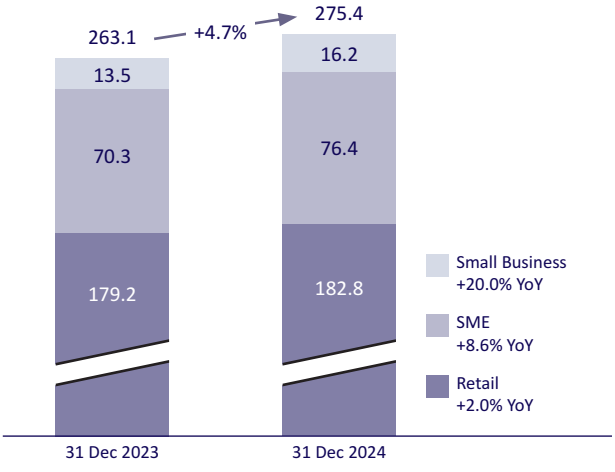
Investment Securities

The portfolio of investment securities increased by 11.8% year-on-year to CZK 116.7 billion as at 31 December 2024. This was driven by the strategy to invest part of the incremental liquidity coming from the continuing expansion of the customer deposit base into Czech government bonds. MONETA measures all purchased bonds at amortised cost as Hold to Collect ("HTC") assets, in accordance with IFRS 9.

Loans and Receivables to Customers

The overall portfolio of net customer loans and receivables increased by 4.7% year-on-year to CZK 275.4 billion as at 31 December 2024. The main driver of the increase in net customer loans were SME loans, which grew by CZK 6 billion, or 8.6% year-on-year, to CZK 76.4 billion.

NET LOANS AND RECEIVABLES TO CUSTOMERS BREAKDOWN (in CZK bn)



Figures in the chart may not add up to the total due to rounding differences.

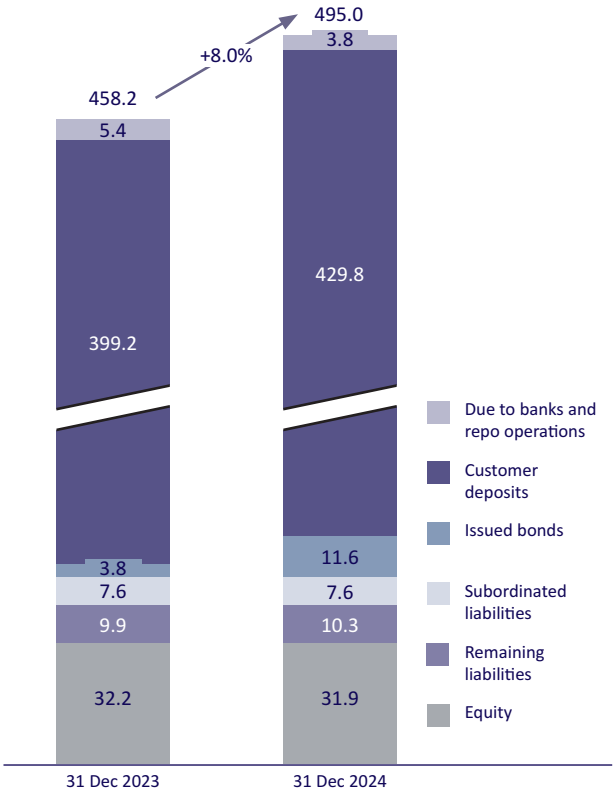
MONETA's portfolio of net customer loans is mainly denominated in CZK, with a balance of CZK 260.6 billion as at 31 December 2024, or 94.6% of total net customer loans. Foreign currency loans are only provided to MONETA's SME clients. The EUR-denominated portfolio amounted to EUR 0.6 billion (equivalent to CZK 14.8 billion) as at 31 December 2024. MONETA also provides commercial loans

28 Loans to banks excluding reverse repo operations with the CNB.

denominated in USD, the balance of which, however, is not material.

2.4.1.2 Total Liabilities and Equity

TOTAL LIABILITIES AND EQUITY (in CZK bn)

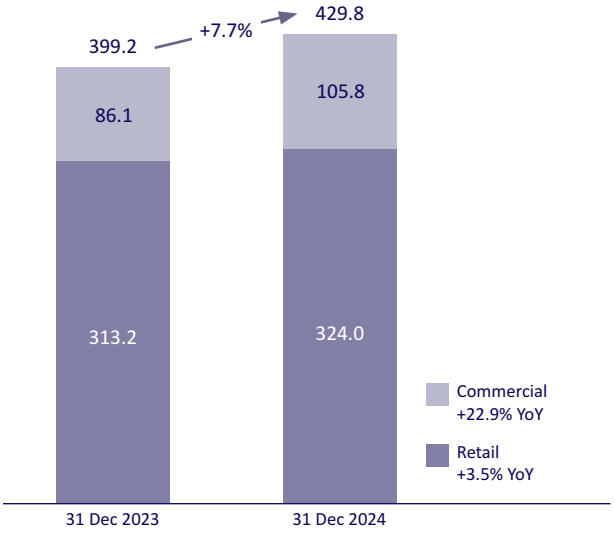


Figures in the chart may not add up to the total due to rounding differences.

Customer Deposits

MONETA's customer deposits reported strong growth in both the retail and commercial segments, and stood at CZK 429.8 billion as at 31 December 2024, up 7.7% compared to the previous year. Deposits from retail customers grew by 3.5% to CZK 324 billion, while deposits from commercial customer increased by 22.9% year-on-year to CZK 105.8 billion.

CUSTOMER DEPOSITS (in CZK bn)



Figures in the chart may not add up to the total due to rounding differences.

The recorded growth of customer deposits further reinforced MONETA's self-funding capacity and its solid liquidity position. The ratio of high-quality liquid assets to customer deposits increased to 43.5%, providing MONETA with substantial capacity to further expand its loan portfolio. The loan to deposit ratio continued to decrease in 2024, reaching 64.1% as at 31 December 2024, down from 65.9% on 31 December 2023.

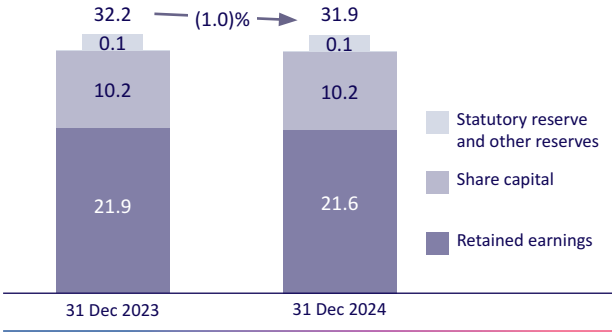
Issued Bonds and Subordinated Liabilities

The balance of issued bonds and subordinated liabilities increased from CZK 11.4 billion at the end of 2023 to CZK 19.2 billion at the end of 2024. This increase was driven by the issuance of EUR 300 million of MREL-eligible senior preferred bonds, which further strengthened MONETA's capital position, ensured sufficient capitalization to meet regulatory requirements, and provided capacity for future growth. As at 31 December 2024, the carrying amount of issued Tier 2 and senior unsecured bonds was CZK 16.3 billion. The total amount of subordinated deposits on the same date was CZK 2.9 billion.

Equity

MONETA maintained a strong equity position of CZK 31.9 billion as at 31 December 2024, down 1% year-on-year. The decrease was driven by the retained earnings balance, which decreased by 1.5% year-on-year to CZK 21.6 billion. This was due to the 2023 dividend of CZK 4.6 billion paid in May 2024 and the extraordinary dividend of CZK 1.5 billion paid in December 2024, and was partially offset by the net profit of CZK 5.8 billion generated in 2024.

EQUITY BREAKDOWN (in CZK bn)

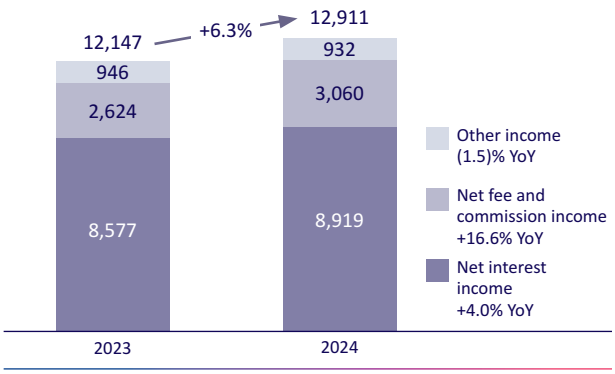


2.4.2 Statement of Profit or Loss Analysis

MONETA generated a net profit of CZK 5.8 billion in 2024, an increase of 11.7% year-on-year. This increase was achieved through higher operating income, which reached CZK 12.9 billion, a stable cost base of CZK 5.7 billion, and a favourable, albeit higher year-on-year, cost of risk of CZK 0.4 billion. As a result, the Return on Tangible Equity for 2024 reached 20.4%, up 240bps year-on-year.

Total operating income amounted to CZK 12.9 billion in 2024, which represents an increase of 6.3% compared to 2023, with increases in net interest income and in net fee and commission income.

TOTAL OPERATING INCOME (in CZK m)

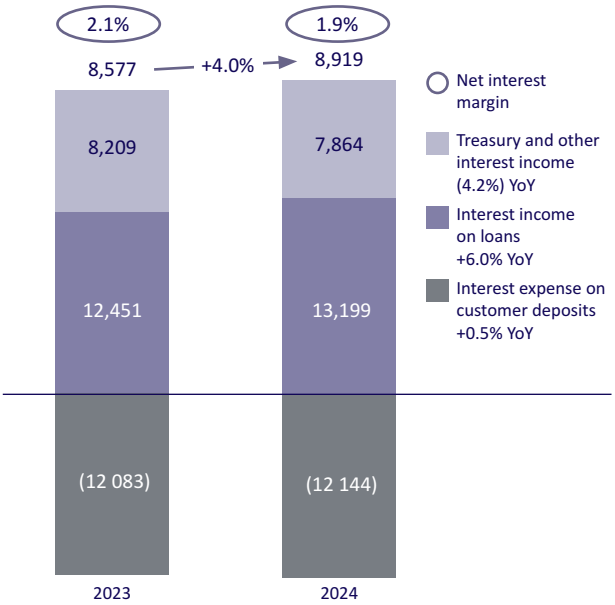


Net Interest Income

Net interest income increased by 4% year-on-year to CZK 8.9 billion in 2024. Interest income from loans increased by 6% to CZK 13.2 billion, thanks to a higher portfolio yield of 4.9% in 2024 compared to 4.7% in 2023, and to net loan portfolio growth of 4.7%. Interest expense on customer deposits remained stable year-on-year and was CZK 12.1 billion despite customer deposit growth of 7.7% year-on-year. The cost of funds on customer deposits decreased from 3.3% in 2023 to 2.9% in 2024. Treasury and other net interest income amounted to CZK 7.9 billion in 2024, a slight decrease from CZK 8.2 billion in 2023, due to declining market interest rates.

Net interest margin[29] dropped in the first quarter of 2024 to 1.8% as a result of postponed deposit repricing before gradually returning to 2% in the fourth quarter. The net interest margin for the full year was 1.9% in 2024 compared to 2.1% in 2023, reflecting the gradual decline of market interest rates as well as the balance sheet expansion.

NET INTEREST INCOME (in CZK m) AND MARGIN (in %)

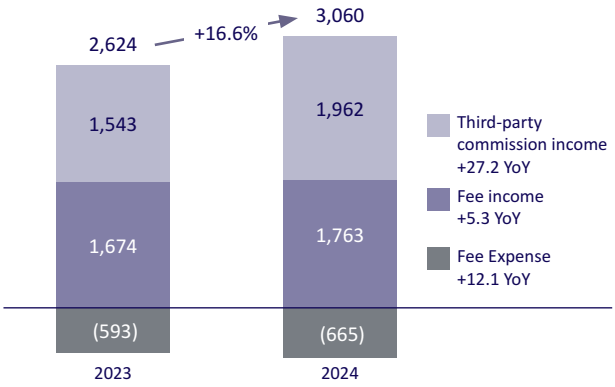


29 Net interest margin is calculated including (if applicable) opportunistic repo operations and encumbered assets and excluding hedging derivatives.

Net Fee and Commission Income

Net fee and commission income increased to CZK 3.1 billion in 2024 from CZK 2.6 billion in 2023. The increase was driven by higher income from the distribution of third-party products which increased by 27.2% year-on-year to CZK 2 billion mainly driven by distribution of investment funds. Transaction and other fees increased by 5.6% year-on-year to CZK 0.8 billion. Servicing fees remained stable at CZK 0.6 billion in 2024 while penalty and early termination fees increased by 14.8% to CZK 0.3 billion.

NET FEE AND COMMISSION INCOME (in CZK m)



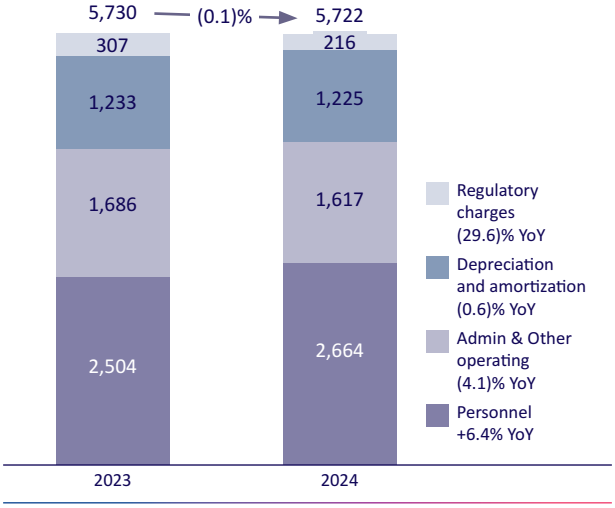
Other Income

Other income and net income from financial operations amounted to CZK 0.9 billion during 2024, remaining flat year-on-year, as higher gains on bond sales and higher client FX margins offset the negative impact of hedging derivatives.

Operating Expenses

Operating expenses in 2024 remained flat year-on-year at CZK 5.7 billion. Persistent inflationary pressure on salaries was offset by savings achieved across other cost categories. Personnel expenses increased by 6.4% due to higher variable incentives and salary inflation, partially offset by a 0.8% reduction in FTEs. Administrative and other operating expenses decreased by 4.1% year-on-year to CZK 1.6 billion in 2024 due to lower expenses for facilities and ATMs. Depreciation and amortisation decreased by 0.6% year-on-year and amounted to CZK 1.2 billion in 2024. Regulatory charges reached CZK 216 million in 2024, decreasing by 29.6% year-on-year due to lower contributions to the Resolution Fund.

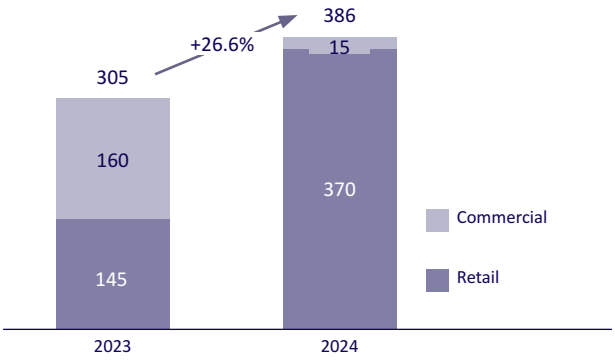
OPERATING EXPENSES (in CZK m)



Cost of Risk

In 2024, MONETA reported a cost of risk (net impairment of financial assets) in the amount of CZK 386 million, or 14bps of the average net loan portfolio, which represents an increase of CZK 81 million compared to 2023. The cost of risk in 2024 was positively impacted by the good credit quality of the portfolio, the gradual release of management overlays, and updated macroeconomic scenarios. The cost of risk in 2024 was also supported by income from NPL disposals of CZK 127 million. As at 31 December 2024, MONETA maintained a management overlay in the total amount of CZK 394 million to cover potential anticipatory credit losses (compared to CZK 643 million as at 31 December 2023).

COST OF RISK (in CZK m)



Figures in the chart may not add up to the total due to rounding differences.

Entrepreneur of the Year

For six years, MONETA has been the title partner of the Entrepreneur of the Year competition, which offers entrepreneurs a unique opportunity to make themselves visible to the general public, to establish contacts with key personalities from the business environment and to receive valuable advice and support from experienced mentors.



We are MONETA

3. CAPITAL AND LIQUIDITY

3.1 CAPITAL

3.1.1 Regulatory Framework

As the Group operates only in the Czech market, the Bank is subject to supervision by the Czech National Bank.

The framework used for capital management involves monitoring and complying with capital adequacy limits in accordance with the Basel III rules codified in Regulation (EU) No. 575/2013 of the European Parliament, and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended (hereafter "CRR"), Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended (hereafter "CRD"), and Directive (EU) 2014/59 of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (hereafter "BRRD"), and their implementing measures. This European regulatory framework was significantly revised in May 2024 by the adoption of amendments to CRR (hereafter "CRR III")[1] and CRD (hereafter "CRD VI")[2] effective from 1 January 2025. According to the preliminary impact assessment of CRR III, MONETA estimates that the risk-weighted assets will decrease, especially in the credit risk category.

Furthermore, the regulatory framework within the Czech legal system is comprised mainly of Banking Act No. 21/1992 Coll., as amended, CNB Decree No. 163/2014 Coll., as amended, and Act No. 374/2015 Coll., on recovery and resolution in the financial market, as amended.

MONETA manages its capital on a consolidated and an individual basis in order to meet the regulatory capital adequacy requirements prescribed in Basel III and codified in EU law and regulation, and to allow the Group to continue its operations on a going-concern basis while maximising the returns for shareholders through the optimisation of its Debt-to-Equity Ratio.

The overall capital requirement on a consolidated basis stood at 14.05% as at 31 December 2024, composed of the Pillar I requirement (8%), Pillar II requirement (2.3% applicable since 1 January 2024) and required capital buffers, which are applied to the whole Czech banking sector – capital conservation buffer (2.5%) and countercyclical buffer (1.25%). On an individual basis, the overall capital requirement as at 31 December 2024 stood at 11.75% for the Bank. Since 1 January 2025 the CNB implemented a systemic risk buffer of 0.5%, applicable to the whole Czech banking sector.

Pursuant to the assessment of the Bank's Materials for the supervisory review and evaluation process ("SREP") submitted to the CNB in 2024, the CNB decreased in October 2024 the Pillar II capital requirement on a consolidated basis to the level 2% (compared to the previous level of 2.3%) effective from 1 January 2025. That means that the Bank's total SREP capital ratio requirement on a consolidated basis decreased to 10% effective from 1 January 2025.

1 Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No. 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor.

2 Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks.

TARGET FOR CAPITAL DEVELOPMENT ON A CONSOLIDATED BASIS[3]

	1 Jan 2023	31 Dec 2023	1 Jan 2024	31 Dec 2024	1 Jan 2025
Pillar I – CRR requirement	8.0%	8.0%	8.0%	8.0%	8.0%
Pillar II – SREP requirement	2.6%	2.6%	2.3%	2.3%	2.0%
CRR capital conservation buffer	2.5%	2.5%	2.5%	2.5%	2.5%
CRR countercyclical buffer	2.0%	2.0%	2.0%	1.25%	1.25%
Systemic risk buffer	N/A	N/A	N/A	N/A	0.5%
Total regulatory requirement for capital	**15.1%**	**15.1%**	**14.8%**	**14.05%**	**14.25%**
Management capital buffer	1.0%	1.0%	1.0%	1.0%	1.0%
MANAGEMENT TARGET FOR CAPITAL	**16.1%**	**16.1%**	**15.8%**	**15.05%**	**15.25%**

In response to the global financial crisis, the EU introduced a new pan-European crisis management framework in the financial markets. Part of the new framework, primarily provided for in BRRD, is the requirement for EU-established banks to maintain an adequate amount of own funds and eligible liabilities to ensure that they have sufficient loss-absorbing and recapitalisation capacity to withstand future crises. As a result, the Recovery and Resolution Act implementing BRRD in the Czech Republic requires banks established in the Czech Republic to comply with the Minimum Requirement for Own Funds and Eligible Liabilities ("MREL"). The CNB, through its independent Resolution Department, was designated as the national resolution authority, and, as such, is responsible for, among other things, setting the MREL requirement specifically for each bank on an individual and, where appropriate, also on a consolidated basis.

In March 2024, the Bank received an updated MREL specification from the CNB pursuant to which it must comply with the MREL requirement on an individual basis of 17.2% of its total risk exposure and 5.04% of its total exposure effective from 26 March 2024.[4] The MREL requirement is calculated as a sum of a Loss Absorption Amount (Pillar I capital requirement of 8% and Pillar II capital requirement of 2.3%[5] – values valid as of the date of the initiation of the planning process for resolution) and a Recapitalisation Amount set at 6.9%. The combined buffer requirement (a capital conservation buffer of 2.5% and a countercyclical capital buffer of 1.25% – values valid as at 31 December 2024) is not taken into account in the MREL calculation, and the Bank must comply with it on top of the MREL requirement. On top of the MREL requirement the Bank must also comply with the systemic risk buffer requirement of 0.5% established from 1 January 2025.

In February 2025, the Bank received an updated MREL specification from the CNB, effective from 21 February 2025. The specification reduces the Bank's Loss Absorption Amount to 10% and increases the Recapitalisation Amount to 7.1%. The total MREL requirement therefore decreases from 17.2% as at 1 January 2025 to 17.1%. Above the MREL requirement, the Bank must continue to meet the combined capital buffer requirement of 4.25%.

The Bank's management decided to set its internal capital adequacy target as one percentage point above the overall capital requirement both on an individual and consolidated basis. The capital adequacy target is subject to an ongoing re-assessment by the Management Board of the Bank based on the business results, regulatory changes and development needs.

3 Expected values are derived from the current values of the relevant indicators.

4 According to definition in the Recovery and Resolution Act.

5 Although Pillar II capital requirement was set only on a consolidated basis, its value was used for setting of MREL requirement on an individual basis.

TARGET FOR CAPITAL AND ELIGIBLE LIABILITIES DEVELOPMENT ON AN INDIVIDUAL BASIS[6] (AS A SHARE OF THE TOTAL RISK EXPOSURE AMOUNT)

	1 Jan 2023	31 Dec 2023	1 Jan 2024	31 Dec 2024	1 Jan 2025	28 Feb 2025
MREL requirement – Loss absorption amount	10.4%	10.6%	10.6%	10.3%	10.3%	10.0%
MREL requirement – Recapitalisation amount	4.7%	6.6%	6.6%	6.9%	6.9%	7.1%
Total MREL requirement	**15.1%**	**17.2%**	**17.2%**	**17.2%**	**17.2%**	**17.1%**
CRR capital conservation buffer	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
CRR countercyclical buffer	2.0%	2.0%	2.0%	1.25%	1.25%	1.25%
Systemic risk buffer	N/A	N/A	N/A	N/A	0.5%	0.5%
Total regulatory requirement for capital and eligible liabilities	**19.6%**	**21.7%**	**21.7%**	**20.95%**	**21.45%**	**21.35%**
Management capital buffer	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
MANAGEMENT TARGET FOR CAPITAL AND ELIGIBLE LIABILITIES	**20.6%**	**22.7%**	**22.7%**	**21.95%**	**22.45%**	**22.35%**

REQUIREMENT FOR CAPITAL AND ELIGIBLE LIABILITIES DEVELOPMENT ON AN INDIVIDUAL BASIS[6] (AS A SHARE OF THE TOTAL EXPOSURE)

	1 Jan 2023	31 Dec 2023	1 Jan 2024	31 Dec 2024	1 Jan 2025	28 Feb 2025
MREL requirement – Loss absorption amount	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
MREL requirement – Recapitalisation amount	1.40%	1.92%	1.92%	2.04%	2.04%	2.15%
Total MREL requirement	**4.40%**	**4.92%**	**4.92%**	**5.04%**	**5.04%**	**5.15%**

3.1.2 Capital and Risk-Weighted Assets

The Group's regulatory capital on a consolidated basis primarily consists of share capital and retained earnings, that is, the highest quality CET 1 capital, and issued Tier 2 capital. The Group incorporates into CET 1 capital periodically (subject to permissions from the CNB) a portion of its quarterly net profit lowered by expected dividend payments.

The Bank uses a standardised approach to calculate the regulatory capital requirement for credit risk and operational risk on both an individual and a consolidated basis.

The Bank calculates regulatory capital requirements against the market risk of the trading book. As at 31 December 2024, the capital requirement against the market risk of the trading book was immaterial.

In order to calculate the internal capital requirement, the Bank applied methods similar to advanced approaches according to regulatory Pillar I, both on an individual and a consolidated basis.

3.1.3 Capital Management

In accordance with applicable regulations, the Bank manages capital on a consolidated basis both above the level of the regulatory capital requirement and the management capital target. On an individual basis, the Bank manages capital above the level of both capital and MREL regulatory requirements and management targets for capital and MREL ratios.

The Bank has a bond issuance programme approved by the CNB allowing the issuance of covered, senior unsecured, senior preferred, senior non-preferred, subordinated Tier 2 capital and mortgage-backed bonds. The programme was updated in September 2023 to enable the issuance of mortgage-backed bonds particularly in compliance with regulations concerning covered bonds from 2022.[7]

The overall capital position, both on an individual and consolidated basis, is strengthened by issued subordinated Tier 2 bonds, senior preferred bonds and subordinated deposits in the total carrying amount of CZK 19.2 billion as at 31 December 2024.

6 Expected values are derived from the current values of the relevant indicators.

7 https://investors.moneta.cz/bonds. The mortgage covered bonds were issued by the Bank in accordance with the requirements of Act No.190/2004 Coll., on Bonds (the Bonds Act), as amended, and in particular as amended by Act No.96/2022 Coll., which transposed the requirements of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (Covered Bonds Directive) into the Bonds Act with effect from 29 May 2022.

The Bank has strengthened its MREL position through the subordinated deposit product for retail clients offered in June 2023. This deposit has a fixed maturity of five years, bears interest at a fixed rate of 7% and was only available during a limited period from 1 to 23 June 2023. The total balance of subordinated deposits amounted to CZK 2.9 billion as at 31 December 2024.

In September 2024 the Bank issued MREL-eligible senior preferred bonds in the nominal value of EUR 300 million (the equivalent of CZK 7.6 billion as at 31 December 2024). The bonds were issued under the Bank's approved bond issuance programme and were placed mainly with international investors.

As at 31 December 2024, the Bank had issued the following bonds:

Bond type /ISIN	Issue date	Currency	Nominal (in m)	Interest type	Interest rate	Call option	Maturity date	Moody's rating
Tier 2 CZ0003704918	25 Sep 2019	CZK	2,001	Fixed to float	5.65% p.a[8].	After 5 years[9]	25 Sep 2029	Baa2
Tier 2 CZ0003705188	30 Jan 2020	CZK	2,601	Fixed to float	3.79% p.a. first five years	After 5 years	30 Jan 2030	Baa2
Senior Unsecured XS2435601443[10]	3 Feb 2022	EUR	100	Fixed to float	1.625% p.a. first five years	After 5 years	3 Feb 2028	A3
Senior Unsecured CZ0003707671[10]	15 Dec 2022	CZK	1,500	Fixed	8% p.a.	After 3 years	15 Dec 2026	n/a
Senior Unsecured XS2898794982[10]	11 Sep 2024	EUR	300	Fixed to float	4.414% p.a. first five years	After 5 years	11 Sep 2030	A3

REGULATORY CAPITAL AND CAPITAL RATIOS ON A CONSOLIDATED BASIS

(in CZK bn)	31 Dec 2024	31 Dec 2023
Tier 1 regulatory capital	25.1	26.3
Tier 2 regulatory capital	6.6	7.2
Total regulatory capital	**31.6**	**33.6**
Risk-weighted assets	**173.5**	**167.3**
Capital adequacy ratio	**18.25%**	**20.07%**
Management capital target	15.05%	16.10%
Excess capital over management capital target	**3.20%**	**3.97%**
Excess capital over management capital target	**5.5**	**6.6**
Tier 1 capital adequacy ratio	**14.46%**	**15.74%**
Tier 1 management capital target	12.23%	13.20%
Excess capital over Tier 1 management capital target	**2.24%**	**2.54%**
Excess capital over Tier 1 management capital target	**3.9**	**4.3**

Figures in the table may not add up to the total due to rounding differences.

The total regulatory capital on a consolidated basis decreased from CZK 33.6 billion as at 31 December 2023 to CZK 31.6 billion as at 31 December 2024 due to the distribution of the extraordinary dividend in the total amount of CZK 1.5 billion in December 2024.

Overall, the capital adequacy ratio on a consolidated basis decreased from 20.07% as at 31 December 2023 to 18.25% as at 31 December 2024 as a result of lower regulatory capital following the distribution of the dividend and higher risk-weighted assets. The increase in risk-weighted assets from CZK 167.3 billion as at 31 December 2023 to CZK 173.5 billion as at 31 December 2024 was driven by an increase in the net loan portfolio following renewed demand for lending products.

The Tier 1 capital adequacy ratio on a consolidated basis decreased due to the above-described drivers from 15.74% as at 31 December 2023 to 14.46% as at 31 December 2024. MONETA maintained an excess capital over the Tier 1 capital target in the amount of CZK 3.9 billion as at 31 December 2024 (compared to CZK 4.3 billion as at 31 December 2023).

8 Effective 25 September 2024, in accordance with the bond prospectus, the interest rate was changed from a fixed rate of 3.30% p.a. for the first five years to a floating rate calculated as 6-month PRIBOR plus a margin of 1.63%.

9 The first opportunity to exercise the call option after 5 years has expired. The call option can now be exercised each year on the anniversary date.

10 MREL eligible.

REGULATORY CAPITAL AND ELIGIBLE LIABILITIES, CAPITAL AND MREL RATIOS ON AN INDIVIDUAL BASIS

(in CZK bn)	31 Dec 2024	31 Dec 2023
Tier 1 regulatory capital	26.3	26.9
Tier 2 regulatory capital	6.6	7.2
Total regulatory capital	**32.8**	**34.2**
MREL instruments	12.5	4.2
Total regulatory capital and MREL instruments	**45.4**	**38.4**
Risk-weighted assets	**168.1**	**159.8**
Capital adequacy ratio	**19.53%**	**21.40%**
MREL ratio	**26.99%**	**24.05%**
MREL management target	21.95%	22.70%
Excess over MREL management target	**5.04%**	**1.35%**
Excess over MREL management target	**8.5**	**2.2**

Figures in the table may not add up to the total due to rounding differences.

The total regulatory capital and eligible liabilities on an individual basis increased from CZK 38.4 billion as at 31 December 2023 to CZK 45.4 billion as at 31 December 2024 as a result of the issuance of MREL eligible bonds in the nominal amount of EUR 300 million (the equivalent of CZK 7.6 billion as at 31 December 2024) in September 2024.

Overall, the capital adequacy ratio on an individual basis decreased from 21.40% as at 31 December 2023 to 19.53% as at 31 December 2024 as a result of lower regulatory capital following the distribution of the dividend and higher risk-weighted assets. The increase in risk-weighted assets from CZK 159.8 billion as at 31 December 2023 to CZK 168.1 billion as at 31 December 2024 was driven by an increase in the net loan portfolio following renewed demand for lending products.

Overall, the MREL ratio increased from 24.05% as at 31 December 2023 to 26.99% as at 31 December 2024 mainly as a result of issued MREL instruments, which was partially offset by higher risk-weighted assets.

The Bank maintained an excess over the MREL management target in the amount of CZK 8.5 billion as at 31 December 2024 (compared to CZK 2.2 billion as at 31 December 2023).

Overall, the Bank met all regulatory requirements regarding capital adequacy on an individual and a consolidated basis.

3.1.4 The Internal Capital Adequacy Assessment Process (ICAAP)

3.1.4.1 Internal Capital Requirement on a One-Year Horizon

The internal capital requirement represents the stock of capital which is needed to cover unexpected losses in the following 12 months at the chosen confidence level.

To determine the internal capital requirement on an individual and consolidated basis, the Bank currently uses the internal economic capital ("ECAP") model. This model covers all regular risks that are material for the Group and which the Group decided to cover by capital. The ECAP model is calibrated, and relevant risks are quantified on at least a 99.9% confidence level.

Other risks, which are not covered by the ECAP model and are material to the Group in the following planning period, are identified through workshops with members of the Bank's Management Board, selected senior managers of the Bank and key executive representatives of subsidiaries. The relevant stress scenarios are built on the key material risks as identified during the workshops and subsequently discussed and approved by the ERMC or the Bank's Management Board.

Capital sources to cover the internal capital requirement are the same as the capital sources to cover the regulatory capital requirement.

3.1.4.2 Mid-term Capital Outlook and Stress Testing

In addition to the assessment of the internal capital requirement, the Bank annually prepares a mid-term forward-looking business plan, which summarises the projected development of the Group's balance sheet and profit or loss statements. The business plan includes dividend pay-outs and retained earnings assumptions. The business plan is based on an expected evolution of external factors, mainly macroeconomic development, and market behaviour obtained from generally respected sources (e.g., the CNB, Bloomberg or Ministry of Finance).

Based on the business plan, the Bank prepares a mid-term capital outlook on an individual and consolidated basis with the assessment of capital adequacy and potential actions to fulfil the capital needs for business growth. The capital outlook is composed of the outlook of the regulatory requirement on capital and eligible liabilities as well as internal capital requirements, considering profitability, other sources of capital and dividend pay-out assumptions.

The capital outlook is regularly stressed, with the main stress scenario assuming the worsening of the most significant risk factors that may occur approximately once in a 25-year period. Other potential stress scenarios cover material identified as strategic and other risks.

The capital outlook and the stress test are updated with a mid-year update of the business plan and on a yearly basis, reported to the Czech National Bank together with the Internal Capital Adequacy Assessment Process (ICAAP) report.

3.1.5 Recovery and Resolution

The 2008–2009 financial crisis highlighted the importance of both financial institutions and regulators being prepared to respond effectively to unforeseen severe stress events and the disruptive and costly nature of a disorderly failure of financial institutions. As part of the subsequent global regulatory reforms stipulated in BRRD and the Recovery and Resolution Act, regulators have called on financial institutions to improve recovery plans for restoring their capital, liquidity and balance sheet positions during times of severe stress. In addition, in the event of the failure of these recovery plans, regulators require the institutions to ensure they have capabilities to support their resolution.

3.1.5.1 Recovery Plan

Given the above regulatory requirements, the Bank also maintains a Group recovery plan which describes the readiness of the Group to recover from a situation threatening the Group's existence. This includes the strategic analysis of the Group, governance and responsibility process settings (including the escalation process and communication plan) and a set of three stress scenarios provided for in the current regulatory framework (an idiosyncratic event, a system-wide event and a combination of the two) with a proposal of relevant measures to ensure the ability of the Group to respond to the developing situation in a timely and proper manner when needed. The recovery plan activation is triggered by a combination of external and/or internal events, which are identified through monitoring of recovery indicators. The recovery indicators cover, among others, capital adequacy, liquidity adequacy, profitability, asset quality, market risk and macroeconomic development and are regularly reported to ERMC. The Group's recovery plan is updated at least on a yearly basis, and significant updates are submitted to the Czech National Bank.

The Group manages systemic risk to which it is exposed within the framework of the recovery plan and internal capital adequacy assessment process.

3.1.5.2 Readiness for Resolution

In 2021, the CNB introduced its expectations regarding banks' resolvability to create a resolution regime that ensures banks can fail in an orderly way, thus reducing risks to depositors, the financial system, and public finance. The CNB continuously updates, alters and clarifies these expectations. In January 2025, the Bank received from the CNB an updated summary of key elements of the resolution plan, specifying the preferred resolution strategy for the Group with the Bank confirmed as the only point of entry with envisaged resolution tool implementation and with the liquidation of other companies within the Group.

To reflect the importance of resolvability, the Bank, in cooperation with external advisors, launched an internal Resolution Readiness Implementation Program for 2023 aimed to ensure effective coordination of the work to improve resolvability and to enhance the capabilities, dedicated resources and established arrangements to remove potential barriers to resolution. In 2024, the Bank continued to develop capacities required for resolution.

To ensure the resolvability capabilities continue to be enhanced and subject to effective governance in business-as-usual operations, the Bank has developed internal policies and handbooks, which ensure the maintenance of the Bank's resolvability, and has built sufficient resolution capabilities that aim to:

- Maintain continuity of the Bank's core business lines and critical functions;
- Minimise the impact of the Bank's resolution on the financial system, depositors, clients, and counterparties; and
- Avoid the destruction of the Bank's value associated with a disorderly and/or sudden break-up of its business.

The Bank will continue to develop and refine its capabilities in line with upcoming changes to regulatory expectations and will make further enhancements and improvements to its resolution readiness to meet these expectations.

3.2 LIQUIDITY

3.2.1 Regulatory Framework

Liquidity risk represents the risk of an inability to meet financial liabilities when due or to finance an increase in assets.

The Basel III framework for liquidity risk measurement, standards and monitoring was anchored into the EU and Czech law by CRR and by implementing measures,

which together specify the Liquidity Coverage Ratio ("LCR") and the Net Stable Funding Ratio ("NSFR") requirements.

The LCR addresses the liquidity risk of banks over a 30-day period and aims to ensure that banks have a sufficient buffer of high-quality liquid assets available to meet their short-term liquidity needs in a given stress scenario. The minimum required level for LCR is 100%. MONETA maintains LCR well in excess of the requirement of 100% and as at 31 December 2024, it stood at 357.2% on a consolidated basis (compared to 354.4% as at 31 December 2023).

The Bank forms, together with the Building Savings Bank, a liquidity sub-group, which allows the Bank to manage liquidity freely within the liquidity sub-group. The regulatory requirement for LCR is applied on the liquidity sub-group level and the consolidated level only. The LCR for the liquidity sub-group stood at 363% as at 31 December 2024 (366% as at 31 December 2023).

The second liquidity ratio introduced by the Basel III framework is the NSFR, which establishes the criteria for a minimum amount of stable funding to support a bank's assets and activities in the medium term (i.e. one year). The binding minimum standards for NSFR were introduced by the EU in CRR 2 and have been applicable since June 2021. The minimum required level is 100%, and the Bank maintains NSFR above the regulatory minimum both on a consolidated level, which reached 180.9% as at 31 December 2024, and on the liquidity sub-group level, which was 179.7% for the same period (compared to 164.1% and 162.8% respectively as at 31 December 2023).

3.2.2 Internal Liquidity Adequacy Assessment Process (ILAAP)

The concept of an internal liquidity adequacy assessment process (hereafter "ILAAP") was introduced by the European Banking Authority Guidelines on common procedures and methodologies for SREP as at 19 December 2014 (EBA/GL/2014/13), as amended. Within ILAAP, the Bank assesses annually the components that constitute the liquidity risk management of the Group and submits an ILAAP report to the CNB.

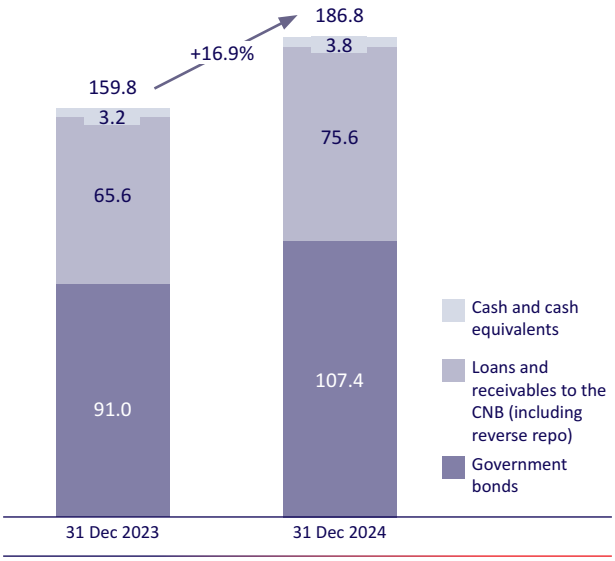
3.2.3 Liquidity Position

The liquidity position at the Group and liquidity sub-group level is managed solely by the Bank.

The Bank invests its free cash mostly in high-quality and high-liquid financial instruments, such as Czech government bonds. As at 31 December 2024, 57.5% of total highly liquid assets were invested in securities, with the remaining part held at the CNB and interbank deposits. Almost all of these securities were eligible to be placed as collateral for funding purposes from the CNB and other banks, as at 31 December 2024, no securities were encumbered.

As at 31 December 2024, the Group reported a strong liquidity position with excess liquidity of CZK 134.5 billion (compared to CZK 114.7 billion as at 31 December 2023). The chart below sets out the composition of the Group's high-quality liquid assets in the amount of CZK 186.8 billion as at 31 December 2024 and its comparison with CZK 159.8 billion as at 31 December 2023:

BALANCE AND BREAKDOWN OF HIGH-QUALITY LIQUID ASSETS – HQLA (in CZK bn)



The volume of high-quality liquid assets increased during 2024 by CZK 27 billion, of which, 61% was invested in government bonds, with the remaining part placed with the CNB as reverse repo operations. As a result of the purchases of Czech and European government bonds, the balance of investment securities increased to CZK 116.7 billion as at 31 December 2024. Almost all of these investments were measured at amortised costs (except for CZK 67 million of investments measured at FVTPL or FVTOCI). The increase is also in line with MONETA's investment strategy to keep up to 25% of total assets as an investment portfolio. The average duration of the investment securities portfolio before interest rate hedging measured at amortised costs was 5.6 years as at 31 December 2024, as the Bank predominantly invests in longer-tenure securities. However, 65% of the portfolio is hedged through interest rate derivatives into floating rates, which reduces the effective duration to 2.6 years. The average yield, including hedging, of the investment securities portfolio measured at amortised costs stood at 3.45% as at 31 December 2024, which was 181bps

lower than in previous year due to the gradual decline of the short interbank rate PRIBOR during 2024.[11]

3.3 FUNDING

The Bank is fully funded from its customer deposit base.

MONETA's overall funding base in the amount of CZK 452.4 billion[12] as at 31 December 2024 consists of customer deposits, deposits from other banks, issued bonds and subordinated liabilities. Customer deposits provide 95% of MONETA's funding and reached CZK 429.8 billion as at 31 December 2024. Deposits from other banks accounted for CZK 3.4 billion, or 0.8% of total funding. The remainder of CZK 19.2 billion, or 4.2%, is represented by issued bonds and subordinated liabilities.

In terms of concentration, the customer deposits are not concentrated into large amounts, and as at 31 December 2024, the top 10 depositors accounted for only 3.5% of the total amount. At the same time, 80.9% of the Group's customer deposits were "on-demand" deposits (79.7 % as at 31 December 2023). Of the total volume of customer deposits, 81.9% were covered by the Deposit Insurance Fund[13].

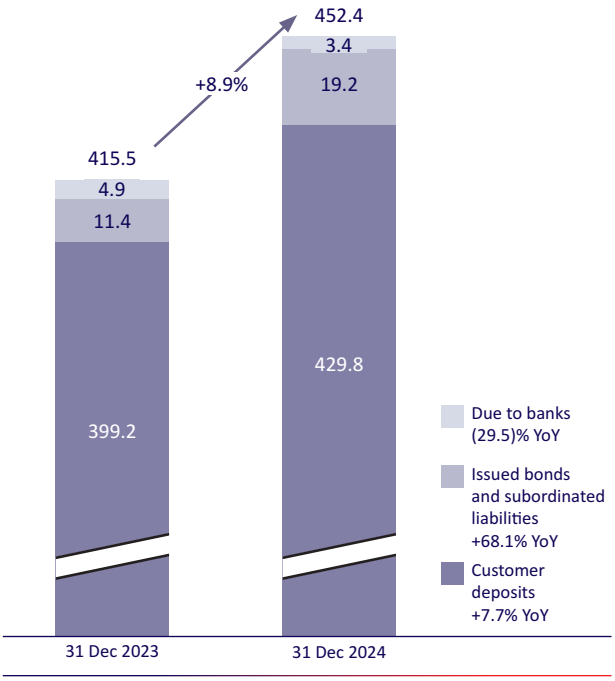
In 2024, MONETA's strategy focused on optimising the cost of funding and the associated reduction of rates offered on savings and term deposits. Nevertheless, MONETA's customer deposits grew at the same rate as the overal market. The annual growth rate of the Czech deposit market reached 7.6%[14] in 2024, whereas the Group's customer deposits grew by 7.7% in the same period.

As at 31 December 2024, MONETA reported a loan to deposit ratio of 64.1% compared to 65.9% as at 31 December 2023. The Bank itself provides funding to other companies within the Group.

In September 2024, the liquidity position of MONETA was also improved by the issuance of MREL-eligible senior preferred bonds of EUR 300 million (more details are provided in section 3.1.3).

In 2023 the Bank issued internally held mortgage bonds in accordance with its bond programme. These bonds are issued on MONETA's own books and are intended to provide an additional liquidity buffer if needed in the future. They can be placed as collateral for Lombard or repo operations with the CNB. At inception, the Bank issued such bonds in the nominal amount of CZK 15 billion and has an option to increase the nominal amount of the bonds up to CZK 90 billion, which would provide an additional source of liquidity in the amount of CZK 70 billion. As at 31 December 2024, the Bank held on its books such mortgage bonds in the total nominal value of CZK 15 billion.

FUNDING STRUCTURE (in CZK bn)[12]



11 The average yield excluding hedging stood at 3.4% as at 31 December 2024, the same as in the previous year.

12 Excluding CZK 0.6 billion of funds received as collateral under Credit Support Annex (CSA).

13 Deposit Insurance Fund is a fund within the Financial Market Guarantee System established by Act No. 374/2015 Coll., on recovery and resolution in the financial market, as amended, that protects depositors at banks.

14 Source: CNB ARAD.

Foundation Nadace MONETA Clementia

We are not indifferent to the fate of those who, through no fault of their own, have to cope with unequal living conditions - whether due to a health handicap, a problematic family environment, a tragic event or other unexpected hardship. That is why the Nadace MONETA Clementia was created, in whose activities MONETA employees volunteer to help contribute to a more sustainable life, both socially and environmentally.



We are MONETA

4. CORPORATE GOVERNANCE STATEMENT

A separate part of the Annual Financial Report pursuant to Section 118 (4) and (5) of Act No. 256/2004 Coll., on conducting business in the capital markets, as amended.

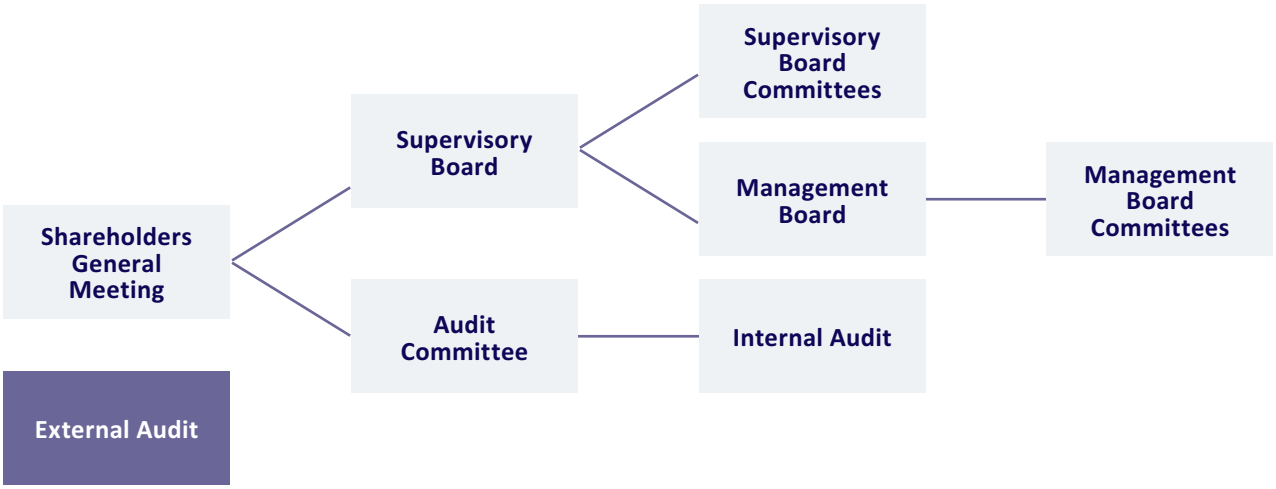
4.1 ORGANISATIONAL CHART

The rights of the Bank's shareholders are, as set out in the chart below, exercised through:

- Decisions of the General Meeting of the Bank; and
- Participation of persons elected by the General Meeting in the Supervisory Board of the Bank.

Shares of the Bank are traded on the Prague Stock Exchange. There is no majority shareholder.

The Bank has a two-tier corporate governance structure, which ensures the separation of the executive and control functions. The Supervisory Board is an integral non-executive element of this structure and is responsible for the oversight of the Bank's operations and the Management Board activities, while also contributing to the definition of the Bank's strategic direction.



The Supervisory Board has, among other things, the following powers:

- To review financial statements and accounting records;
- To request information on all business activities and inspect all documents and records related to business activities of the Bank; and
- To convene the General Meeting of the Bank if required by law or if it is in the Bank's interest.

The Supervisory Board established the principles for appointing members of the Management Board and candidates to the Supervisory Board, and for the composition and performance of both the Management and Supervisory Boards. These key principles ensure that members of both the Management and Supervisory Boards are individuals with suitable professional experience, time served and other qualifications so that both bodies have a balance of expert qualifications and experience and that the composition of the Management Board and the Supervisory Board as a whole is diverse.

During 2024, the Supervisory Board had nine members. Until 2 September 2024, it was composed of four women and five men. Following the expiry of the term of office of Mr. Michal Petrman and the subsequent co-option and election of Mrs. Zuzana Prokopcová as a new member, the Supervisory Board of the Bank is now composed of five women and four men. Six members are elected by shareholders and three are elected by employees.

Until 9 September 2024, the Management Board consisted of five members, represented by one woman and four men. Mr. Andrew John Gerber was elected as the sixth member of the Management Board on 10 September 2024 and the Board now consists of six members – one woman and five men.

Further information on the Bank's diversity policies is available in Chapter 13 "Sustainability Statement", which is prepared in line with the Corporate Sustainability Reporting Directive. The diversity policy applies to members of the Supervisory and Management Boards.

The Management Board is the second component of the two-tier corporate governance structure. It is the corporate body that manages the Bank's business, including ensuring the proper keeping of the Bank's books, proper existence, the establishment, and timely evaluation of, management and control systems, and that the Bank complies with the law.

4.2 GENERAL MEETING

Participation at the General Meeting

The General Meeting may be attended by any person who is registered, as at the record date, as a shareholder, shareholder's proxy, administrator, or person authorised to exercise rights attached to the shares in the registry of book-entry shares maintained by the Czech Central Securities Depository. The record date for participation at the General Meeting is the seventh (7th) day prior to the date of the respective General Meeting.

Furthermore, the General Meeting is attended by members of the Management Board, the Supervisory Board and the Audit Committee. Subject to approval by the Management Board, the General Meeting may also be attended by individuals who can reasonably give their opinion on agenda items of the General Meeting, including the Bank's external auditors, advisers or individuals that make arrangements for the General Meeting.

Procedure at the General Meeting

The Chairman of the General Meeting shall ensure that all proposals, counterproposals, and requests for explanation made by shareholders are presented at the General Meeting, provided that they relate to the agenda of the General Meeting. A shareholder may request and shall receive at the General Meeting an explanation of matters related to the Bank or entities controlled by the Bank if such explanation is necessary to consider items on the agenda of the General Meeting or for exercising shareholder's rights at the General Meeting, unless it follows from the applicable law that providing the explanation may be denied. Explanations may be provided at the General Meeting as a summary answer to multiple questions with similar contents.

Explanations of matters related to the current General Meeting are provided by the Bank to a shareholder at the General Meeting. If this is not possible due to the complexity of the explanation, the Bank will provide the explanation to the shareholder within 15 days after the date on which the General Meeting is held.

Decision of the General Meeting

The General Meeting constitutes a quorum if the present shareholders hold shares whose aggregate nominal value exceeds 50% (fifty per cent) of the Bank's registered share capital.

The General Meeting makes decisions by a simple majority of the votes of the shareholders present, unless a different majority is required by law or by the Articles of Association.

The right to vote at the General Meeting is linked with the Bank share and each Bank share with a nominal value of CZK 20.00 carries one vote. A total of all votes of the Bank's shareholders is 511,000,000 (in words: five hundred and eleven million).

1. The General Meeting is the highest corporate body of the Bank.
2. The General Meeting is authorised to:
   a) amend the Articles of Association, save for amendments resulting from increasing the Bank's registered share capital by the duly authorised Management Board or amendments resulting from other legal matters;
   b) decide on changes in the Bank's registered share capital;
   c) decide on an increase in the Bank's registered share capital by in-kind contributions;
   d) authorise the Management Board to increase the Bank's registered share capital;
   e) approve the offset of the Bank's receivable towards the Bank's shareholder for payment of a subscription price for the shares and the Bank's shareholder's receivable against the Bank;
   f) decide on issuing convertible or preference bonds;
   g) decide on restriction or limitation of the shareholders' pre-emptive right to subscribe for a pro rata portion of the new shares or the preference or convertible bonds issued by the Bank;
   h) elect and recall members of the Supervisory Board, with the exception of members of the Supervisory Board who are elected by the Bank's employees;
   i) elect and recall members of the Audit Committee;
   j) approve service contracts with members of the Supervisory Board and the Audit Committee, and fixed and variable components of their compensation;
   k) approve any compensation to members of the Supervisory Board and the Audit Committee,

unless such compensation is established by applicable laws, by a service contract or by the Bank's internal rules;

l) decide that the amount of the variable component of the compensation of a member of the Management Board may be higher than the amount of the fixed component of his/her compensation, but not higher than double the amount of the fixed component of his/her compensation;

m) approve contracts for settlement of loss caused by a breach of the duty of due care by a member of the Bank's body;

n) approve a distribution of profit or other resource of the Bank or to compensate loss;

o) approve a distribution of the profit to a person that is not a shareholder of the Bank;

p) decide to unwind the Bank;

q) approve a proposed distribution of the Bank's liquidation balance;

r) decide to apply for listing or delisting of the Bank's securities on the European regulated market;

s) approve a transfer or a pledge of the Bank's undertaking or a part thereof constituting a substantial change of the existing structure of the Bank's undertaking or a substantial change of the Bank's scope of business;

t) decide on a change of classes of the shares;

u) decide on a change of rights attached to individual classes of the shares;

v) decide on a conversion of registered shares to bearer shares and vice-versa;

w) approve restrictions or limitations of the shares' transferability;

x) decide on a merger of two or more shares into one share;

y) decide on splitting shares;

z) decide on an acquisition of the Bank treasury shares;

aa) approve a transfer of all other shareholders' shares to the Bank's shareholder that owns Bank shares in the total nominal value corresponding to at least 90% (ninety per cent) of the Bank's registered share capital created by shares with voting rights and carrying at least 90% (ninety per cent) of voting rights in the Bank;

bb) approve a transformation of the Bank in compliance with Act No. 125/2008 Coll., on transformations of companies and cooperatives, as amended (hereafter the "Transformations Act");

cc) approve the Bank's annual, extraordinary or consolidated and, if required, interim financial statements;

dd) appoint an auditor to perform the statutory audit;

ee) approve principles for the Management Board, the Supervisory Board or other Bank body, and give instructions to the Management Board, the Supervisory Board or other Bank body, all subject to the terms set forth by applicable laws and the Articles of Association; and

ff) exercise all other powers vested to the General Meeting by applicable laws or by the Articles of Association.

3. The General Meeting may not reserve powers which are not vested to it by applicable laws or by the Articles of Association.
4. Resolutions under Article 2 Lett. a), b), d), e), f), p), q), s) and y) above shall be passed at a General Meeting with a qualified majority of at least two-thirds (2/3) of the votes cast at a General Meeting.
5. Resolutions under Article 2 Lett. b) and s) above shall be passed at a General Meeting with a qualified majority of at least two-thirds (2/3) of the votes cast at a General Meeting by the Bank's shareholders that hold each class of the shares, whose rights are affected by such resolutions.
6. Resolution under Article 2 Lett. m) above shall be passed at a General Meeting with a qualified majority of at least two-thirds (2/3) of the votes of all Bank's shareholders.
7. Resolutions under Article 2 Lett. c), g) and o) above shall be passed at a General Meeting:
   a) with a qualified majority of at least three-quarters (3/4) of the votes cast at a General Meeting; and
   b) in addition, with a qualified majority of at least three-quarters (3/4) of the votes cast at a General Meeting by the Bank's shareholder that hold each class of the shares, unless the respective resolution will not affect any rights of the owners of these classes of shares.
8. Resolution under Article 2 Lett. r) (only as for delisting the Bank securities) above shall be passed at a General Meeting by a qualified majority of at least three-quarters (3/4) of the votes cast at a General Meeting by the Bank's shareholders that hold the classes of shares affected by this resolution.
9. Resolutions under Article 2 Lett. t), u), v) and w) hereof shall be passed at a General Meeting:
   a) with a qualified majority of at least two-thirds (2/3) of the votes cast at a General Meeting; and
   b) in addition, with a qualified majority of at least three-quarters (3/4) of the votes cast at a General Meeting by the Bank's shareholders that hold the classes of shares affected by such resolutions.
10. Resolution under Article 2 Lett. l) above shall be passed at a General Meeting with a qualified majority of at least three-quarters (3/4) of the votes cast at a General Meeting (qualified majority of at least 66% (sixty-six per cent) of the votes cast at a General Meeting is sufficient, provided that shareholders holding at least half of the voting rights in the Bank are present at a General Meeting).

11. Resolution under Article 2 Lett. x) above shall be passed at a General Meeting:
    a) with a qualified majority of at least two-thirds (2/3) of the votes cast at a General Meeting; and
    b) in addition, by all shareholders of the company whose shares are to be merged.
12. Resolution under Article 2 Lett. aa) above shall be passed at a General Meeting by a qualified majority of at least 90% (ninety per cent) of the votes of all shareholders in the Bank.
13. Resolution under Article 2 Lett. bb) above shall be passed at a General Meeting by a qualified majority of at least three-quarters (3/4) of the votes cast at a General Meeting by the Bank's shareholders that hold each class of share, however:
    a) a demerger of the Bank with an unequal shares exchange proportion shall be approved by a resolution passed at a General Meeting by a qualified majority of at least 90% (ninety per cent) of the votes of all the Bank's shareholders that hold each class of share; and
    b) a transfer of all the Bank's assets to the Bank's shareholder shall be approved by a resolution passed at a General Meeting by a qualified majority of at least 90% (ninety per cent) of the votes of all shareholders in the Bank.

Correspondence Voting at a General Meeting

The Bank allows correspondence voting at a General Meeting. Thus, each shareholder has the right to vote before the General Meeting under the conditions set forth by the Articles of Association and applicable laws. Correspondence voting is carried out through the delivery of written correspondence ballot cards.

Correspondence voting is allowed subject to the following conditions:

a) The Management Board shall decide on the possibility of correspondence voting before a specific General Meeting and state the conditions of such voting in the notice of the General Meeting;
b) The shareholder shall exercise his/her voting right through correspondence voting within the period of time specified by the Management Board in the notice of the General Meeting; and
c) Correspondence voting meets all the other prerequisites set by the Articles of Association and stated in the notice of the General Meeting.

Electronic Voting at the General Meeting

The Bank allows for electronic voting at the General Meeting. Thus, each shareholder has a right to vote before the General Meeting under the conditions set forth by the Articles of Association and applicable laws. Shareholders cast their votes electronically via the system of the Central Securities Depository Prague and/or its members and dependant registries connected to such system, unless the Management Board stipulates otherwise.

Electronic voting is allowed subject to the following conditions:

a) The Management Board decides on the possibility of electronic voting before the specific General Meeting and states or refers to the conditions of such voting in the notice of the General Meeting;
b) The shareholder shall exercise his or her voting right by casting his or her vote electronically within the period stipulated by the Management Board in the notice of General Meeting; and
c) Electronic voting meets all the other prerequisites set by the Articles of Association and stated in the notice of the General Meeting.

4.3 SUPERVISORY BOARD

4.3.1 Position and Responsibilities of the Supervisory Board

The Supervisory Board is the Bank body that oversees the Management Board and the Bank's activities, as well as informing the General Meeting on the results thereof.

The Supervisory Board shall decide on all matters and exercise all powers, rights and duties vested to the Supervisory Board by applicable law or by the Articles of Association. The Supervisory Board shall among others:

a) review annual, extraordinary or consolidated and, if required, interim financial statements, proposals for the distribution of profit or the compensation of loss, and submit its opinion thereon to the General Meeting;
b) establish the Nomination Committee, the Remuneration Committee and the Risk Committee (hereafter jointly as the "Supervisory Board Committees"), adopt statutes of the Supervisory Board Committees and have discretion to set up any other committees of the Supervisory Board and adopt their statutes;
c) elect and recall members of the Management Board, of the Supervisory Board Committees and of other committees of the Supervisory Board;
d) approve service contracts with members of the Management Board, the fixed component of their compensation and the variable component of their compensation set forth, inter alia, by the Executive Variable Incentive Plan ("EVIP") including Long-Term Incentive Premium Award, up to the amount corresponding to the fixed component of their compensation;

e) approve any compensation to members of the Management Board, unless a member's compensation is established by applicable law, by a service contract or by the Bank's internal rules;
f) propose to the General Meeting an auditor to perform the statutory audit;
g) convene a General Meeting if required by applicable law or by the Bank's interests, and propose to the General Meeting appropriate measures to be taken;
h) designate one member of the Supervisory Board who shall represent the Bank before courts or other authorities in disputes with members of the Management Board;
i) review the affiliated parties report and submit its opinion thereon to the General Meeting;
j) inspect all documents and records related to the activities of the Bank;
k) examine whether the Bank's books and records are kept properly, whether they comply with the true current state of affairs and whether the business activities of the Bank are carried out in compliance with applicable law and the Articles of Association; and
l) exercise all other powers, rights and duties vested to the Supervisory Board by applicable law, including powers, rights and duties of a controlling body under CNB regulation No. 163/2014 Coll., on activities of banks, saving and credit unions and securities traders, as amended, or, as the case may be, under any replacement thereof (hereafter the "CNB Decree No. 163/2014 Coll.").

The Supervisory Board makes decisions by a simple majority of votes cast at the meeting. The quorum for a meeting of the Supervisory Board is a simple majority of all its members. Members of the Supervisory Board may participate in Supervisory Board meetings through telephone or other technical devices. When necessary in matters of urgency, a decision may be made by the Supervisory Board without holding a meeting.

In accordance with the Articles of Association, meetings of the Supervisory Board are called by the Chairman of the Supervisory Board. The Chairman of the Supervisory Board is required to call the meeting at the request of any member, or at the request of the member of the Management Board responsible for risk management. At its discretion, the Supervisory Board may invite members of other Bank corporate bodies, employees, or other persons to its meetings.

The Supervisory Board consists of nine members. Six members of the Supervisory Board are elected and recalled by a decision of the General Meeting. Three members of the Supervisory Board are elected and recalled by employees of the Bank. Only current employees of the Bank have the right to elect and recall employee-elected members of the Supervisory Board. The election order of the Bank sets forth the method and rules for elections and the recalling of members of the Supervisory Board elected by employees.

The majority of members of the Supervisory Board elected by the General Meeting, including the Chairman of the Supervisory Board, must be independent. For purposes of the Articles of Association an independent member of the Supervisory Board shall mean a member who is:

a) independent of the Bank's management;
b) not an employee of the Bank or any of its affiliates;
c) not closely related to the Bank or its management through significant economic, family or other ties; and
d) independent of the Bank's controlling shareholder(s), if any.

No member of the Supervisory Board may be a member of the Management Board or the Bank's procura holder (if any).

Members of the Supervisory Board serve a four-year term and may be re-elected.

Members of the Supervisory Board elect and recall the Chairman and Vice-Chairman of the Supervisory Board from among members of the Supervisory Board.

The relationship between a member of the Supervisory Board and the Bank is governed by a service contract concluded between the Bank and the respective member of the Supervisory Board, and further by applicable law. There are no service contracts between the Bank and members of the Supervisory Board that provide benefits upon termination of office.

A member of the Supervisory Board may resign from the Supervisory Board through a written notification delivered to the Supervisory Board, or through a written notification addressed to the Supervisory Board and delivered to the Bank's registered office. A member of the Supervisory Board may also resign through an oral declaration made at a meeting of the Supervisory Board and recorded in the minutes. A member of the Supervisory Board may not resign at an improper time for the Bank.

A member's office terminates one month after the delivery of the member's resignation to the Supervisory Board or to the Bank's registered office, unless the Supervisory Board approves another date at the resigning member's request.

If the number of Supervisory Board members has not dropped below half, it may appoint substitute members until the next meeting of the company's body, which elects the members.

4.3.2 Members of the Supervisory Board

As at 31 December 2024, the following persons were members of the Supervisory Board:

Name	Role	Member position held from	Member position held to
Gabriel Eichler	Chairman	26 October 2017 (Chairman since 2 August 2018)	20 December 2025
Miroslav Singer	Vice-Chairman	24 April 2017 (Vice-Chairman since 22 May 2017)	28 April 2025
Clare Ronald Clarke	Member	21 April 2016	19 November 2028
Denis Arthur Hall	Member	21 April 2016	19 November 2028
Kateřina Jirásková	Member	25 April 2023	25 April 2027
Zuzana Prokopcová	Member	19 November 2024	19 November 2028
Klára Escobar	Employee representative	7 May 2021	7 May 2025
Monika Kalivodová	Employee representative	1 June 2024	7 May 2025
Linda Kavanová	Employee representative	1 August 2024	7 May 2025

The terms of office of Mr. Clare Ronald Clarke, Mr. Michal Petrman and Mr. Denis Arthur Hall expired on 2 September 2024. The Supervisory Board co-opted Mrs. Zuzana Prokopcová (current member of the Audit Committee of the Bank), Mr. Clare Ronald Clarke and Mr. Denis Arthur Hall as members of the Supervisory Board from 3 September 2024 until the next General Meeting, which took place on 19 November 2024 and at which they were elected as members of the Supervisory Board for the next four-year term with immediate effect.

Following the resignation of Mrs. Zuzana Filipová from the Supervisory Board with effect from 31 May 2024, Mrs. Monika Kalivodová was co-opted by the Supervisory Board as an employee representative on the Supervisory Board until new elections for members of the Supervisory Board elected by the Bank's employees are held.

Following the resignation of Mrs. Jana Výbošťoková from the Supervisory Board with effect from 31 July 2024, Mrs. Linda Kavanová was co-opted by the Supervisory Board as an employee representative on the Supervisory Board until the new elections for members of the Supervisory Board elected by the Bank's employees are held.

Except as stated below, no member of the Supervisory Board has been a member of the administrative, management or supervisory bodies, or a partner, of any company or partnership other than the Bank at any time in the previous five years.

GABRIEL EICHLER is an independent member and Chairman of the Supervisory Board of MONETA Money Bank.

Mr. Eichler studied economics and international relations, and has degrees from Brandeis University, The University of Chicago, and the University of Toronto.

He began his international banking career at Bank of America, where he spent 15 years (1975–1990), half of it at the bank's headquarters in the US (his last position was Chief International Economist) and half as regional General Manager of Bank of America in Paris, Vienna and Frankfurt. After leaving Bank of America, Mr. Eichler spent a year as a partner and Executive Vice-President (EVP) in a US private equity group.

From 1994 to 1998, Mr. Eichler was Vice-Chairman of the Management Board and, until the end of 1996, CFO of ČEZ. In 1998–2001, he was Chairman of the Management Board, President & CEO of Východoslovenské železiarne (VSŽ). Mr. Eichler also acted as the Vice-Chairman of the Supervisory Board of Československá obchodní banka, and as a member of the Supervisory Boards of Česká pojišťovna and Slovenská sporiteľňa.

Until September 2016, Mr. Eichler was the Vice-Chairman (earlier Executive Chairman) of the AVG Technologies Supervisory Board. Mr. Eichler helped bring AVG Technologies, as the first Central European company, to the New York Stock Exchange (NYSE). He was also a member of the Board of Ness Technologies (a company traded on the NASDAQ stock exchange).

Apart from his position as Chairman of the Supervisory Board of MONETA Money Bank, he is the founder and a director of Benson Oak spol. s r.o., originally a boutique investment bank, later a private equity group, that he founded in August 1991. Currently, he is also Chairman of the Board of Trustees of the Vaclav Havel Library, Chairman of the Board of Trustees of the International School of Prague and a member of the Advisory Council at the Division of Social Sciences of the University of Chicago.

The current service contract between Mr. Eichler and the Bank was entered into on 20 December 2021 per approval of the General Meeting with effect from 26 October 2021 and will terminate upon the termination of his office.

MIROSLAV SINGER is an independent member and Vice-Chairman of the Supervisory Board of MONETA Money Bank.

Mr. Singer graduated from the Prague University of Economics and Business, where he obtained an engineering degree in econometrics and operations research. He also holds a doctoral degree in economics, majoring in econometrics and labour, from the University of Pittsburgh.

Mr. Singer served for six years (from July 2010 to June 2016) as the Governor and prior to that for five years (from February 2005 to June 2010) as the Vice-Governor of the Czech National Bank.

He also has broad experience from having served on a number of boards. Mr. Singer served from 1994 until 1996 at the Centre for Economic Research and Doctoral Studies at Charles University, within the Economic Institute of the Academy of Sciences of the Czech Republic, where he was the Deputy Director for Research. Between 1995 and 1996, Mr. Singer worked as a member of the Supervisory Board and the Board of Directors of Česká pojišťovna a.s. He subsequently joined Expandia Group, where he served as Chief Economist and a member of the Supervisory Board of Expandia Bank and later as CEO and Chairman of the management boards of the Expandia Group industrial companies. From 2001 to 2005, he was a Director of Business Restructuring Services at the international consulting firm PwC. In 2019, Mr. Singer also served as a member of the Supervisory Board of ADRIATIC Slovenica. The company merged with Generali zavarovalnica d. d. Slovenia in 2019. Until its merger with Generali Česká pojišťovna in 2022, he also served as Chairman of the Supervisory Board of Generali Poisťovňa, a.s. (Board membership since 2018).

Apart from his position as Vice-Chairman of the Supervisory Board of MONETA Money Bank, he currently serves as Chairman of the Supervisory Board of Generali Česká pojišťovna a.s. (since May 2017), as a member of the Supervisory Board of Generali zavarovalnica d.d. Slovenia, and as Director for Institutional Affairs and Chief Economist in Generali CEE Holding B.V. (since January 2017), in which he also became a member of the Executive Committee on 1 January 2018. He has also been a member of the European Securities and Markets Authority (ESMA) Stakeholder Group since June 2024.

The current service contract between Mr. Singer and the Bank was entered into on 28 April 2021 per approval of the General Meeting with effect from 24 April 2021, and will terminate upon the termination of his office.

CLARE RONALD CLARKE is an independent member of the Supervisory Board of MONETA Money Bank.

Mr. Clarke holds an Associate degree from Dalhousie University. He worked as a Human Resources Manager at Pfizer and Warner-Lambert Canada. He joined Cesky Telecom/Eurotel, subsequently acquired by Telefónica, fulfilling HR Business Partner and Head of HR roles through 2010 for the rebranded O2 Czech Republic business. He subsequently became the Head of Learning & Development for O2 Europe, reporting to the Director of Human Resources at the Europe region level. Mr. Clarke was responsible for Commercial & Technical Learning across five country regions. He designed and implemented Telefónica's European Region Commercial/Technical Learning & Development Organisation.

He has been Chairman of the Nomination and Remuneration Committees (advisory bodies) of the Supervisory Board of the Bank since 2016 and, through his professional capability, initiative and transparent approach, has been instrumental in the development of policy, practice and governance in both these key areas of the Bank.

Apart from his position as a member of the Supervisory Board of MONETA Money Bank, he currently holds the position of the sole member and director of ReDefine s.r.o.

The current service contract between Mr. Clarke and the Bank was entered into on 2 September 2020 per approval of the General Meeting with effect from 1 July 2020, and will terminate upon the termination of his office.

DENIS ARTHUR HALL is an independent member of the Supervisory Board of MONETA Money Bank.

Mr. Hall previously held senior executive positions as Chief Risk Officer at Citibank (1985–2001), Deutsche Bank (2001–2007) and GE Capital International (2007–2016). From 2008 to November 2016, he worked as a Supervisory Board member and Chairman of the Risk Committee at BPH Bank SA, and from November 2013 to March 2017 as a non-executive Board member of Hyundai Capital Cards. From 2012 to June 2015, he worked as a member of the Supervisory Board of Budapest Bank Zrt, and from October 2013 to December 2016 as the non-executive Chairman of the Board of UK Home Lending Ltd. From 2013 to April 2022 he was a member of the Supervisory Board and Audit and Risk Committee of Cembra Money Bank AG, Switzerland, a bank listed on the SIX Swiss Exchange.

Apart from his position as a member of the Supervisory Board and the Audit Committee of MONETA Money Bank, Mr. Hall has held, since March 2017, the position

of a non-executive Board member and Chairman of the Risk Committee of the Skipton Building Society in the UK. Since November 2020, Mr. Hall has also been Chairman of the Audit and Risk Committee and a non-executive Board member of Auxmoney Europe Holding Ltd, a consumer finance company based in Ireland. Since August 2022, he has been a member of the Supervisory Board of Aareal Bank AG, an International Commercial Real Estate Bank based in Wiesbaden, Germany, and is currently Chair of its Audit Committee and also sits on its Risk and Technology committees.

The current service contract between Mr. Hall (as a member of the Supervisory Board) and the Bank was entered into on 2 September 2020 per approval of the General Meeting with effect from 1 July 2020, and will terminate upon the termination of his office.

KATEŘINA JIRÁSKOVÁ is an independent member of the Supervisory Board of MONETA Money Bank.

After graduating from the Prague University of Economics and Business, she worked as a securities trader at Conseq and, in 2000, joined PPF Group as a portfolio manager. For eight years she managed PPF Asset Management (from 2008 Generali PPF Asset Management), where she was responsible for one of the largest investment portfolios in Central and Eastern Europe. At the same time, she was responsible for the investment performance of 27 Generali PPF holding companies in 14 countries with assets of EUR 15 billion. In 2013, she became CFO and COO of PPF Group.

Apart from her position as a member of the Supervisory Board and the Audit Committee of MONETA Money Bank, Mrs. Jirásková has been, since January 2013, the CFO of PPF Group. Since June 2021, she has also served as a member of the Management Board of PPF Financial Holdings a.s. She is also Chair of the Board of Trustees of the foundation Nadace PPF, a member of the Management Board of Tanemo a.s. and Chair of the Supervisory Board of PPF Art a.s. Additionally, she serves as Chair of the Management Board of PPF a.s. and Moranda, a.s. and holds the position of Chair of the Supervisory Board of PPF Gate a.s. and PPF Advisory (CR) a.s.

The current service contract between Mrs. Jirásková (as a member of the Supervisory Board) and the Bank was entered into on 25 April 2023 per approval of the General Meeting with effect from 25 April 2023, and will terminate upon the termination of her office.

ZUZANA PROKOPCOVÁ is an independent member of the Supervisory Board of MONETA Money Bank.

Zuzana Prokopcová graduated from the Prague University of Economics and Business, Faculty of Finance and Accounting. She has extensive experience as an auditor in an international advisory company and in the management of large companies. She began her professional career at the international consulting company PricewaterhouseCoopers (PwC) in 1998, where she served as an auditor until 2014, focusing mainly on financial institutions. She was recommended for her knowledge of financial reporting and IFRS; she is also a certified member of the Association of Chartered Certified Accountants (ACCA).

Between 2014 and 2016 she served as Vice-Chair of the Management Board and CFO of Czech Aeroholding, the leading aviation company in the Czech Republic, where she was responsible for treasury, accounting, tax, controlling, internal audit and risk management areas. She also held the position of the Chair of the Supervisory Board of Czech Airlines Handling, a.s., Czech Airlines Technics, a.s., Realitní developerská, a.s., Sky Venture a.s., Whitelines Industries a.s., and B. aircraft, a.s. Since April 2020, she has also been a member of the Audit Committee of Wüstenrot hypoteční banka a.s., which was dissolved by the merger with MONETA Money Bank in January 2021. From November 2020 until November 2024, she served as Vice-Chair of the Supervisory Commission of Council of Czech Television, and until January 2023 she was also a member of the Audit Committee of PPF Financial Holdings, a.s.

Apart from her position as a member of the Supervisory Board and Chair of the Audit Committee of MONETA Money Bank, Mrs. Prokopcová currently also serves as Chair of the Audit Committee of Kofola ČeskoSlovensko a.s. Since April 2020, she has also been a member of the Audit Committee of MONETA Stavební Spořitelna of which she has been Chair since November 2024. Since 2021, she has also been a member of the Supervisory Board (which also serves as the Audit Committee) of PPF Group N.V. In April 2021, she became a member of the Board of Trustees of the foundation Nadace MONETA Clementia and in September 2022 she was elected its Vice-Chair.

The current service contract between Mrs. Zuzana Prokopcová (as a member of the Supervisory Board) and the Bank was entered into on 3 September 2024, and will terminate upon the termination of her office.

KLÁRA ESCOBAR is a member of the Supervisory Board of MONETA Money Bank representing employees.

Klára Escobar is a graduate of the Faculty of Arts of Palacký University in Olomouc, majoring in Sociology and Andragogy with a focus on Human Resources. She has been working in the field of human resources management for over 19 years. She started her career in recruitment and gradually progressed to senior roles in Human Resources.

She has been in the banking sector since 2010 when she joined the original GE Money Bank as HR Business Partner. In October 2016, she became HR Director at Cetelem and was instrumental in its transformation into the new digital bank Hello bank! She returned to MONETA Money Bank in January 2020 as Human Resources Director.

From June 2020 until September 2023, she was a member of the Management Board of MONETA Stavební Spořitelna, and until its merger with the Bank in January 2021, she also served as a member of the Management Board of Wüstenrot hypoteční banka a.s. From May 2023 to January 2024, she was a member of the Supervisory Board of the foundation Nadace MONETA Clementia.

Apart from her position as a member of the Supervisory Board elected by employees, she currently serves as a member of the Board of Trustees of the foundation Nadace MONETA Clementia.

The employment contract between Klára Escobar and the Bank was entered into with effect from 1 January 2020 for an indefinite period.

MONIKA KALIVODOVÁ has been co-opted as a member of the Supervisory Board representing employees.

Monika Kalivodová is a graduate of the Czech University of Life Sciences Prague. Before joining MONETA Money Bank, she worked in the corporations Santander Consumer, GE Capital and then International Personal Finance. Her area of expertise is credit and operational risk management in the credit sector. She joined MONETA Money Bank in 2020, and she now holds the position of Senior Manager Collections.

Apart from her position as a member of the Supervisory Board elected by employees, she currently serves as Chair of the Board of Trustees of the foundation Nadace MONETA Clementia.

The employment contract between Monika Kalivodová and the Bank was entered into with effect from 18 May 2020 for an indefinite period.

LINDA KAVANOVÁ has been co-opted as a member of the Supervisory Board representing employees.

Linda Kavanová is a graduate of the Faculty of Business Administration of the Prague University of Economics and Business. She has been working in the financial sector for more than 15 years.

Before joining MONETA Money Bank, she worked as a Country Controller in a foreign insurance company and before that, in the finance division of a telecommunications company. She joined MONETA Money Bank (previously GE Money Bank) in 2009 as Chief Accountant and subsequently held several positions within the Finance Division. She now holds the position of Head of Investor Relations.

Apart from her position as a member of the Supervisory Board elected by employees, she currently serves as a member of the Board of Trustees of the foundation Nadace MONETA Clementia. On 1 November 2024, she was appointed by the Supervisory Board of MONETA Stavební Spořitelna as Chief Executive Officer and a member of the Management Board of MONETA Stavební Spořitelna and subsequently, on 13 November 2024, she was elected as its Chair.

The employment contract between Linda Kavanová and the Bank was entered into with effect from 15 September 2009 for an indefinite period.

4.3.3 Activity Report of the Supervisory Board

In 2024, the Supervisory Board held five regular and one extraordinary meeting and adopted six decisions outside the meeting through per rollam voting.

Overview of the Supervisory Board meetings attendance:

Member of the Supervisory Board	The Supervisory Board meetings attended in 2024
Gabriel Eichler	100%
Miroslav Singer	100%
Clare Ronald Clarke	100%
Denis Arthur Hall	83%
Kateřina Jirásková	83%
Zuzana Prokopcová[1]	100%
Klára Escobar	83%
Monika Kalivodová[2]	100%
Linda Kavanová[3]	100%

The Supervisory Board reviewed the Bank's separate and consolidated financial statements as at 31 December 2023 prepared under IFRS and audited by the external auditor, the audit firm Deloitte Audit s.r.o. The Supervisory Board recommended that the General Meeting held on 23 April 2024 approve these financial statements.

1 Member of the Supervisory Board since 3 September 2024.
2 Member of the Supervisory Board since 1 June 2024.
3 Member of the Supervisory Board since 1 August 2024.

The Supervisory Board also reviewed the Management Board's proposal for the distribution of profit after tax for the financial year 2023 in the form of a dividend in the amount of CZK 9 per share, and recommended it to the General Meeting for approval.

Upon recommendation of the Audit Committee, the Supervisory Board made a proposal at the General Meeting held on 23 April 2024 to appoint Deloitte Audit s.r.o. as an auditor to conduct the statutory audit of the Bank for the financial year 2024.

During 2024, the Supervisory Board was continuously informed of the Bank's activities and regularly presented with reports and analyses. The Supervisory Board assessed, in particular, the functionality and efficiency of the Bank's internal control systems, concluding that the internal control systems are functional and effective. Moreover, it examined the 2023 annual assessment report on the Bank's system for anti-money laundering and preventing the financing of terrorism, including a related risk assessment and the annual compliance management report.

The Supervisory Board regularly discussed the Bank's quarterly financial results and its position on the market in line with developments in the macroeconomic environment. Furthermore, it discussed the actions of the Internal Audit team and their results in individual periods of the year, changes in the audit plan for 2024, as well as the internal audit plan for 2025.

In the course of its activities, the Supervisory Board continued to rely on the opinion of its Risk, Nomination and Remuneration Committees and was informed of the issues discussed by the Audit Committee.

In September 2024, the Supervisory Board appointed, upon the recommendation of its Nomination Committee, a new, sixth, member of the Management Board, Mr. Andrew John Gerber.

In October 2024, the Supervisory Board reviewed the Management Board's proposal for the distribution of an extraordinary dividend of CZK 3 per share from retained earnings of previous years, and recommended it for approval at the General Meeting held on 19 November 2024.

Other activities of the Supervisory Board in relation to the 2024 Financial Statements and Annual Financial Report are described in the Report of the Supervisory Board in Chapter 6 "Opinion of the Supervisory Board" and in the "Letter from the Chairman of the Supervisory Board".

The Supervisory Board discussed the remuneration of the members of the Management Board and recommended bonus amounts for the performance year 2023, the payment of which is subject to the principles of the deferred bonus scheme.

The opinion of the Supervisory Board (i) on the consolidated and separate financial statements for the year ended 31 December 2024 and (ii) on the proposal of the Management Board on the distribution of the profit after tax for the year 2024 to the Bank's shareholders is available in Chapter 6 "Opinion of the Supervisory Board".

4.4 AUDIT COMMITTEE

The Audit Committee is a separate body of the Bank and consists of three members. The composition of the Audit Committee and qualification of its members complies with the requirements set forth by Act No. 93/2009 Coll., on auditors and on other acts, as amended (hereafter the "Act on Auditors"), and the members of the Audit Committee also comply with the same eligibility qualifications as members of the Supervisory Board.

The Audit Committee is empowered to:

a) monitor the effectiveness of the Bank's internal control and risk management system;
b) monitor the effectiveness of the Bank's internal audit and its functional independence;
c) monitor the process of compiling the Bank's consolidated and non-consolidated financial statements, and submit recommendations to ensure the integrity of the accounting and financial reporting systems to the Management Board or to the Supervisory Board;
d) recommend an auditor to the Supervisory Board whereas such recommendation shall be duly reasoned, unless provided otherwise by directly applicable law of the European Union on specific requirements regarding the statutory audit of public-interest entities;
e) evaluate the independence of the Bank's auditor and the provision of non-audit services by that auditor;
f) discuss with the Bank's auditor threats to his/her independence and the safeguards applied by that auditor to mitigate those threats;
g) monitor the process of the statutory audit;
h) opine on the termination of obligation arising from the agreement on performance of the statutory audit or the withdrawal from the agreement on performance of the statutory audit, pursuant to Section 17a sub. 1 of Act on Auditors;
i) evaluate whether the Bank's auditor engagement shall be subject to an engagement quality control review by another auditor pursuant to Article 4 sub. 3 first subsection of Regulation (EU) No. 537/2014 of the European Parliament and of the

Council of 16 April 2014 on specific requirements regarding the statutory audit of public-interest entities, as amended (hereafter "EU Regulation No. 537/2014");

j) inform the Supervisory Board of the outcome of the statutory audit and its findings discovered within monitoring the process of the statutory audit;
k) inform the Supervisory Board how the statutory audit contributed to the integrity of the accounting and financial reporting systems;
l) decide whether the statutory audit shall be further carried out by the Bank's auditor pursuant to Article 4 sub. 3 second subsection of EU Regulation No. 537/2014;
m) approve the provision of other non-audit services;
n) approve a report on the outcome of selection procedure in the selection procedure pursuant to Article 16 of EU Regulation No. 537/2014;
o) be entitled to inspect documents and records related to the activities of the Bank to the extent required for the execution of its activities;
p) receive and discuss with the Bank's auditor information, declarations and notifications as required by applicable laws;
q) provide other bodies of the Bank with information on matters within the Audit Committee's competences;
r) prepare a report on its activities, evaluating its activities in relation to the activities specified in Section 44a sub. 1 of the Act on Auditors, and provide this report to the Council for public audit supervision; and
s) exercise all other powers, rights and duties vested to the Audit Committee by applicable laws.

The Audit Committee makes decisions by a simple majority of votes cast at the meeting. The quorum for a meeting of the Audit Committee is a simple majority of all its members. The Audit Committee has discretion to invite to its meetings members of the Bank's other corporate bodies, employees, or other persons.

4.4.1 Members of the Audit Committee

As at 31 December 2024, the following persons were members of the Audit Committee:

Name	Role
Zuzana Prokopcová	Chair of the Committee
Denis Arthur Hall	Member of the Committee
Kateřina Jirásková	Member of the Committee

Due to the expiration of the terms of office of Mr. Michal Petrman and Mr. Denis Arthur Hall, the Audit Committee co-opted Mrs. Kateřina Jirásková, a current member of the Supervisory Board, and Mr. Denis Arthur Hall as members effective from 3 September 2024. At the same time, Mrs. Zuzana Prokopcová was elected as the new Chair of the Audit Committee. The General Meeting, which was held on 19 November 2024, elected both Mr. Hall and Mrs. Jirásková as members of the Audit Committee for a four-year term with immediate effect.

Members of the Audit Committee serve four-year terms and may be re-elected.

The relationship between a member of the Audit Committee and the Bank is governed by a service contract agreed upon between the Bank and the respective member of the Audit Committee and further by applicable laws. There are no service contracts between the Bank and members of the Audit Committee that provide benefits upon termination of their office or employment.

Information about **ZUZANA PROKOPCOVÁ** is available in the section "Supervisory Board". The service contract between Zuzana Prokopcová (as a member of the Audit Committee) and the Bank was entered into on 20 December 2021 and will terminate upon the termination of her office.

Information about **DENIS ARTHUR HALL** is available in the section "Supervisory Board". The service contract between Denis Arthur Hall (as a member of the Audit Committee) and the Bank was entered into on 26 October 2017 and will terminate upon the termination of his office.

Information about **KATEŘINA JIRÁSKOVÁ** is available in the section "Supervisory Board". The service contract between Kateřina Jirásková (as a member of the Audit Committee) and the Bank was entered into on 3 September 2024 and will terminate upon the termination of her office.

Except as stated above, none of the members of the Audit Committee has been a member of the administrative, management or supervisory bodies or partner of any company other than the Bank or partnership at any time in the previous five years.

4.4.2 Activity Report of the Audit Committee

In 2024, the Audit Committee held five meetings and adopted two decisions outside the meeting through per rollam voting.

The Audit Committee is responsible for conducting all its duties in accordance with the relevant law. Until 2 September 2024, the main areas of responsibility were split as follows: Mr. Petrman was responsible for the internal and external audit, Mrs. Prokopcová was responsible for the financial reporting and controls, Mr. Hall was responsible for risk management. From 3 September 2024, following the end of Mr. Peterman's term of office and the appointment of Mrs. Jirásková

as a new member, the responsibilities were split as follows: Mrs. Prokopcová, as Chair, was responsible for the internal and external audit, Mrs. Jirásková was responsible for financial reporting and controls, and Mr. Hall's responsibility remained unchanged for risk management.

During 2024, all five meetings were attended by all respective members of the Audit Committee.

The Audit Committee's activities primarily focused on the following five major areas:

I. Internal Control System, Compliance and Risk Management Matters

The Audit Committee discussed internal controls with the Chief Finance Officer, Chief Risk Officer and the Director of Compliance, in particular around financial reporting, risk and compliance matters. Any significant changes and/or issues relating to these matters were on the agenda of the Audit Committee. The Audit Committee also reviewed the Annual Report on the Evaluation of the Functionality and Efficiency of the Internal Control System prepared by the Internal Audit. The Audit Committee continues to oversee the effectiveness of internal controls and risk management, with a focus on financial reporting.

II. Preparation of Annual Financial Statements

The Audit Committee reviewed and assessed processes and controls relating to financial reporting and, in particular, to the preparation of the Bank's annual separate and consolidated financial statements. The review of the annual financial statements included inquiries regarding changes to accounting policies, significant accounting estimates, compliance with accounting standards and major trends in financial results.

Based on the above and the oversight of external audit activities (see below), the Audit Committee concluded that the annual separate and consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with applicable laws and accounting standards.

III. Selection of the External Statutory Auditor and Approval of Non-Audit Services Provided by the Statutory Auditor

Based upon the proposal of the Supervisory Board and the recommendation of the Audit Committee, the General Meeting held on 23 April 2024 appointed the audit firm Deloitte Audit s.r.o. ("Deloitte") as an auditor to conduct the statutory audit of the Bank for the financial year 2024.

In 2024, the Audit Committee reviewed and approved all requests for the performance of non-audit services by Deloitte. In its review, the Audit Committee focused on any potential threats to the statutory auditor's independence.

IV. Oversight of Internal Audit Activities

The Audit Committee approved the internal audit plan and any changes in the plan during the year. A summary of key internal audit findings and remedial action plans were regularly presented to the Audit Committee. Implementation of the 2024 internal audit plans was regularly monitored by the Audit Committee. In December 2024, the Audit Committee approved the 2025 internal audit plan.

The Audit Committee did not identify any material deficiencies with respect to the functioning and independence of the Bank's internal audit function in 2024.

V. Oversight of External Audit Activities

The Audit Committee also monitored the process of the statutory audit of the Bank's annual separate and consolidated financial statements for the year ended 31 December 2023, which were conducted by Deloitte.

The Audit Committee discussed the audit report and the process of the annual statutory audit including unadjusted audit differences and other matters as specified in the agenda with the external auditor.

The Audit Committee reviewed and acknowledged Deloitte's 2023 audit report where Deloitte concluded that, in their opinion, the consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Bank as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with IFRS.

The Audit Committee also received and reviewed the Additional Report to the Audit Committee for 2023 from Deloitte as the statutory auditor as required by EU Regulation No. 537/2014 of the European Parliament and the Council.

The Audit Committee was satisfied with assuring the auditor's independence and with the scope and execution of the statutory audit.

The statutory audit contributed to the integrity of financial reporting primarily by challenging the assumptions used by management in the preparation of the financial statements. The Audit Committee confirms the appropriate risk focus of the auditor in the 2024 audit.

The Audit Committee informed the Supervisory Board of the outcome of the 2023 statutory audit, the Audit Committee's observations and the contribution of the statutory audit to the integrity of the Bank's accounting and financial reporting system.

VI. Conclusion

In conclusion, the Audit Committee states that it has fulfilled all its responsibilities as set forth by applicable Czech and EU law, the Bank's Articles of Association, the Bank's internal rules and policies and, where relevant, provided its recommendations to the Bank's Supervisory Board. Within the scope of its responsibilities, the Audit Committee did not identify any substantial facts relating to the Bank and its activities of which the General Meeting should be informed.

4.5 MANAGEMENT BOARD

4.5.1 Management, Responsibilities and Structure of the Management Board

The Management Board is the corporate body which manages the Bank's business. The Management Board is charged with business management, including ensuring the proper keeping of the Bank's books. The Management Board further guarantees the proper set-up, running existence and timely evaluation of the management and control system, and ensures the Bank is compliant with the law.

The Management Board is responsible for the continuous functioning and effectiveness of the management and control system, and creates conditions for the independent and objective performance of compliance related operations and of the internal audit. The Management Board ensures the establishment, maintenance and implementation of the management and control system to ensure the adequacy of information and communication in conducting the Bank's operations. The Management Board shall decide upon all matters concerning the Bank unless they are assigned to the General Meeting, the Supervisory Board or the Audit Committee by law or by the Articles of Association.

The Management Board consists of six members (individuals) who comply with the law for serving as a member of the Bank's Management Board. They are elected for a four-year term by a majority of all Supervisory Board members at the recommendation of the Nomination Committee. The Nomination Committee ensures the trustworthiness, adequate professional qualifications, and experience of the members of the Management Board. The professional qualifications, trustworthiness, and experience of the members of the Bank's Management Board are also assessed by the Czech National Bank.

4.5.2 Duties and Responsibilities of the Management Board under Czech Law

The Management Board is responsible for the Bank's management and conducts the business activities of the Bank. The Management Board represents the Bank in all matters.

The Management Board shall decide on all the Bank's matters, save for matters reserved for other Bank's bodies by applicable laws or by the Articles of Association. The Management Board shall, inter alia:

a) ensure proper maintenance of the Bank's book-keeping;
b) decide on an increase in the registered share capital, provided that the Management Board has been duly authorised by the General Meeting;
c) decide on establishing and dissolving the Bank's funds and reserves, on the rules relating to such funds and reserves and on the use of resources from such funds and reserves, unless stated otherwise by applicable laws;
d) have discretion to set up any committees and other bodies of the Management Board (hereafter the "Management Board Bodies") and adopt their statutes;
e) elect and recall members of the Management Board Bodies;
f) exercise rights of the Bank as a shareholder in the Bank's subsidiaries;
g) exercise employer's rights;
h) convene a General Meeting and implement its resolutions;
i) prepare and submit to the General Meeting the following documents:
    i. annual, extraordinary or consolidated and, if required, interim financial statements;
    ii. proposals for the distribution of profit or for the compensation of loss;
    iii. affiliated parties report;
    iv. report on the Bank's business and its assets;
    v. summary report pursuant to Section 118 sub. 9 of the Czech Capital Markets Act;
    vi. proposals to amend the Articles of Association;
    vii. proposals to increase or decrease the registered share capital;
    viii. proposals to issue preference or convertible bonds;
    ix. other documents and proposals, if required by applicable laws or by the Articles of Association;
j) approve and issue the election order setting forth the method and rules for elections and recalling of members of the Supervisory Board elected by the Bank's employees;

k) organise elections and recalling of members of the Supervisory Board elected by the Bank's employees;
l) exercise all other powers, rights and duties vested to the Management Board by applicable laws, including powers, rights and duties of a managing body under CNB Decree No. 163/2014 Coll.

The Management Board informs the Supervisory Board on the following matters:

a) approval or modification of the Bank's strategy, business plan, annual budget and/or organisation rules;
b) the issue or modification of any material terms or approval of pre-payment of any bonds or any other debt securities (other than deposit taking), unless:
    i. the issue of bonds is reserved by applicable laws for the General Meeting; and
    ii. the issue or modification of any material terms or approval of pre-payment of any bonds or any other debt securities are included in the approved Bank's business plan and/or annual budget;
c) entering into or modification of any material terms of any agreements concerning loan, credit, guarantee or any other instruments incurring to the Bank financial indebtedness (other than deposit taking) in the aggregate nominal value in excess of 5% (five per cent) of the Bank's consolidated equity as recorded in the latest available consolidated quarterly financial statements of the Bank (hereafter the "Equity"), unless included in the approved Bank's business plan and/or annual budget;
d) entering into or modification of any material terms of any loan, credit or guarantee agreements with persons with a special relationship to the Bank pursuant to Act No. 21/1992 Coll., on banks, as amended (hereafter the "Act on Banks");
e) entering into or modification of any material terms of any agreements concerning loans, credit or any other financial products with the Bank's receivables in the aggregate nominal value in excess of 5% (five per cent) of the Equity, unless included in the approved Bank's business plan and/or annual budget;
f) approval of any corporate transformation of the Bank, unless approval of such corporate transformation is reserved by applicable laws for the General Meeting;
g) the establishment, corporate transformation, dissolution or liquidation of, or acquisition, disposition or encumbrance of any ownership interest in, or increase in the registered share capital of any Bank subsidiary, unless included in the Bank's approved business plan and/or annual budget;
h) approval or modification or cancellation of any investment with the acquisition value in excess of 5% (five per cent.) of the Equity, unless included in the Bank's approved business plan and/or annual budget;
i) disposition of any non-performing loan, credit or other financial product receivables with the aggregate book value in excess of 5% (five per cent.) of the Equity, unless included in the Bank's approved business plan and/or annual budget;
j) acquisition, disposition or encumbrance of any other assets of the Bank with the book value in excess of 5% (five per cent.) of the Equity, if outside the Bank's ordinary course of business and unless included in the Bank's approved business plan and/or annual budget; and
k) approval of any compensation to members of the Bank's staff identified in the Bank's internal rules.

The Management Board makes decisions by a simple majority of votes cast at a meeting. A quorum is present when a simple majority of members of the Management Board is present at a meeting. Members of the Management Board may participate in Management Board meetings by telephone or through another technical device. If necessary, in matters of urgency, a decision may be made by the Management Board without holding a meeting. The Management Board has the discretion to invite members of the Bank's other corporate bodies, employees or other persons to its meetings.

The Management Board consists of six (6) members. No member of the Management Board may be a member of the Supervisory Board or the Audit Committee. Members of the Management Board are elected and recalled by a decision of the Supervisory Board. Members of the Management Board serve four (4) year terms and may be re-elected. Members of the Management Board elect and recall the Chairman and Vice-Chairman of the Management Board from among members of the Management Board. The relationship between a member of the Management Board and the Bank is governed by a service contract concluded between the Bank and the respective member of the Management Board and further by applicable laws.

A member of the Management Board may resign from the Management Board through a written notification delivered to the Chairman of the Supervisory Board or through a written notification addressed to the Chairman of the Supervisory Board and delivered to the Bank's registered office. A member of the Management Board may not resign at an improper time for the Bank.

The Bank is represented by two Management Board members, one of whom must be the Chairman or Vice-Chairman.

4.5.3 Members of the Management Board

As at 31 December 2024, the following persons were members of the Management Board:

Name	Role	Member position held from	Member position held to
Tomáš Spurný	Chairman of the Management Board	1 October 2015 (Chairman since 1 October 2015)	3 October 2027
Carl Normann Vökt	Vice-Chairman of the Management Board	25 January 2013 (Vice-Chairman since 1 March 2019)	28 January 2029
Jan Novotný	Member of the Management Board	16 December 2013	18 December 2025
Jan Friček	Member of the Management Board	1 March 2019	2 March 2027
Klára Starková	Member of the Management Board	1 June 2021	1 June 2025
Andrew John Gerber	Member of the Management Board	10 September 2024	10 September 2028

On the proposal and recommendation of its Nomination Committee, the Bank's Supervisory Board elected Mr. Andrew John Gerber as a new member of the Bank's Management Board for a four-year term effective from 10 September 2024.

On the recommendation of its Nomination Committee, the Supervisory Board also approved the reappointment of Mr. Carl Normann Vökt as a member of the Bank's Management Board for a further four years until 28 January 2029. The Bank's Management Board subsequently re-elected him as its Vice-Chairman.

Except as stated below, none of the members of the Management Board has been a member of the administrative, management or supervisory bodies of, or a partner of, any company or partnership other than the Bank at any time in the previous five years.

TOMÁŠ SPURNÝ holds a bachelor's degree from New York University and an MBA from Columbia Business School. He started his career at McKinsey & Company and has extensive experience in managerial positions in the banking and financial sector.

He served as CEO and Chairman of the Management Board of Banca Comercială Română, a Romanian subsidiary of Erste Group in Romania. Previously, he served as CEO at major banks in the CEE region, including CIB in Hungary and VUB in Slovakia, and held the CFO position at Komerční banka. Mr. Spurný also held CEO positions at PPF and CCS.

On 1 October 2015, he was appointed CEO and Chairman of the Management Board of the Bank for four years until 1 October 2019. Mr. Spurný was re-elected for another four-year term from 2 October 2019 and again for a four-year term from 3 October 2023 until 3 October 2027. Both decisions were adopted after the confirmation of the Czech National Bank, which declared Mr. Spurný fit and proper for the performance of his function as Chairman of the Management Board.

As Chief Executive Officer, he actively fulfils his duties, which are set by applicable law, internal regulations of the Bank and decisions by the General Meeting of the Bank.

Apart from his position as a member and Chairman of the Management Board of MONETA Money Bank, he has also been a member of the Supervisory Boards of MONETA Leasing since November 2015 and MONETA Auto since May 2016. Since April 2021, he has also held the position of Chairman of the Supervisory Board of the foundation Nadace MONETA Clementia.

The current service contract between Mr. Spurný and the Bank became effective on 3 October 2023 and will terminate upon the termination of his office. The service contract provides for the following benefits upon termination of his office: in the period of up to twelve months following the termination of his office, Mr. Spurný is entitled to receive monthly in arrears a salary continuance equal to his monthly pre-termination base salary, subject to compliance by Mr. Spurný with non-compete obligations and other terms and conditions of his service contract.

CARL NORMANN VÖKT holds a university degree with a major in Finance and Marketing gained at the Karl Franzens University in Graz, Austria.

His career started in 1990 in Vienna in the area of Project and Structured Finance at Creditanstalt, followed by a short secondment to the International Finance Corporation in Washington. From 1996, he worked in Poland. During his more than 15-year stay in Poland, Mr. Vökt held different senior positions in Corporate Banking and Risk Management. The last position he held in Poland was Chief Risk Officer and Deputy President of the Management Board at Bank BPH in Warsaw.

Since November 2012, Mr. Vökt has held the position of Chief Risk Officer at MONETA Money Bank. On 25 January 2013, he was appointed as a member of

the Management Board of the Bank for four years and reappointed with effect from 26 January 2017 for a further four years. On 1 March 2019, he was appointed as Vice-Chairman of the Management Board of the Bank. Following recommendations from the Nomination Committee, the function and term of Mr. Vökt on the Management Board of the Bank was prolonged for another four-year term until 27 January 2025 and again for a four-year term until 28 January 2029.

As Chief Risk Officer, he is responsible for the overall direction of the Risk function of the Group. He leads the underwriting, portfolio management and risk management functions and also provides leadership to executive and senior risk managers. He is accountable for enabling the efficient and effective governance of significant risks and related opportunities.

Apart from his position as a member and Vice-Chairman of the Management Board of MONETA Money Bank, he has also been a member of the Supervisory Boards of MONETA Leasing since November 2015 and MONETA Auto since May 2016. Since April 2020 he has been Chairman of the Supervisory Board of MONETA Stavební Spořitelna, and until its merger with the Bank in January 2021, he was also Chairman of the Supervisory Board of Wüstenrot hypoteční banka a.s. Since April 2021 he has been Vice-Chairman of the Supervisory Board of the foundation Nadace MONETA Clementia.

The current service contract between Mr. Vökt and MONETA Money Bank became effective on 28 January 2025 and will terminate upon the termination of his office. The service contract provides for the following benefits upon termination of Mr. Vökt's office: in the period of up to twelve months following the termination of his office, Mr. Vökt is entitled to receive monthly in arrears a salary continuance equal to his monthly pre-termination base salary, subject to compliance by Mr. Vökt with his non-compete obligations and other terms and conditions of his service contract.

JAN NOVOTNÝ has worked in several positions at the Bank since joining in 2003. He began as a commercial banking analyst and later became the data team leader. Mr. Novotný also led product development and, ultimately, product management. He left in 2007 to gain more experience within the GE Capital Group in Singapore, where he was product manager for the SME segment for the Southeast Asia Region (Singapore, the Philippines, Thailand and China). He returned to the Czech Republic the following year, working as the Head of the Micro and Small Enterprises Segment and later as the Manager of the entire SME segment of the Bank.

He was appointed Chief Commercial Banking Officer in May 2013 and on 16 December 2013 was appointed as a member of the Management Board for four years. On 10 August 2017, his service contract was extended for an additional four years. Following recommendations from the Nomination Committee, the function and term of Mr. Novotný on the Management Board of the Bank was extended for another four-year term until 18 December 2025.

As Chief Commercial Banking Officer, he is responsible for leading and managing all aspects of the client relationship and portfolio performance. His mandate is to manage and increase assets and accounts, profitably execute growth initiatives, introduce additional products, manage assigned resources and enhance client relationships in order to retain and grow the business.

Apart from his position as a member of the Management Board of MONETA Money Bank, he has also been a member of the Supervisory Boards of MONETA Leasing since November 2015 and MONETA Auto since May 2016. Since April 2020 he has been Vice-Chairman of the Supervisory Board of MONETA Stavební Spořitelna, and until its merger with MONETA Money Bank in January 2021, he was also Vice-Chairman of the Supervisory Board of Wüstenrot hypoteční banka a.s.

The current service contract between Jan Novotný and MONETA Money Bank became effective on 18 September 2021 and will terminate upon the termination of his office. The service contract provides for the following benefits upon termination of his office: in the period of up to twelve months following the termination of his office, he is entitled to receive monthly in arrears a salary continuance equal to his monthly pre-termination base salary, subject to compliance with his non-compete obligations and other terms and conditions of his service contract.

JAN FRIČEK is a graduate of the Prague University of Economics and Business in Prague, Faculty of Finance and Accounting; he is also a Fellow Member of the Association of Chartered Certified Accountants (FCCA). Prior to joining MONETA Money Bank, between the years 2004 and 2009, he worked as an auditor with Deloitte. Jan Friček has been at MONETA Money Bank, a.s. since 2009, during which time he has held a number of senior positions within the Finance division.

During the years 2016 and 2017, he became the managing director and Chief Financial Officer of MONETA Leasing, s.r.o., and between 2018 and 2019, he also served as Chief Financial Officer of MONETA Auto, s.r.o.

In March 2019, he was appointed Chief Financial Officer and a member of the Management Board of MONETA Money Bank, a.s. for four years. In December 2022, following recommendations from the Nomination Committee, the function and term of Mr. Friček on

the Management Board of the Bank was extended for another four-year term until 2 March 2027.

As Chief Financial Officer, he is mainly responsible for business performance, financial and regulatory reporting, investor relations, financial planning, capital and liquidity management, operational accounting and procurement.

Apart from his position as a member of the Management Board of MONETA Money Bank, he has been, since April 2020, a member of the Supervisory Board and the Audit Committee of MONETA Stavební Spořitelna, and until its merger with the Bank in January 2021, he was also a member of the Supervisory Board of Wüstenrot hypoteční banka a.s. Since March 2019 he has been a member of the Supervisory Board of MONETA Auto. From March 2019 until December 2023, he was a member of the Supervisory Board, and since January 2024, he has held a position in the statutory body of MONETA Leasing. Since April 2021, he has been a member of the Supervisory Board of the foundation Nadace MONETA Clementia.

The current service contract between Jan Friček and MONETA Money Bank became effective on 2 March 2023 and will terminate upon the termination of his office. The service contract provides for the following benefits upon termination of his office: in the period of up to twelve months following the termination of his office, he is entitled to receive monthly in arrears a salary continuance equal to his monthly pre-termination base salary, subject to compliance with his non-compete obligations and other terms and conditions of his service contract.

KLÁRA STARKOVÁ graduated from Wirtschaftsuniversität in Vienna and Rochester Institute of Technology in the USA. She started her career at McKinsey and Company, where she worked for almost 11 years.

Between 2007 and 2016, she was a member of the Executive Committee with responsibility for IT and Operations, and she also served as a member of the Executive Committee for Poland and Slovakia at Generali CEE and Generali PPF Holding, respectively, where she was also responsible for strategic human resources management, the legal division and internal communications, as well as competence centres.

Klára Starková also has extensive experience as a director and senior consultant at Accenture, where she worked from 2017, and was responsible for consulting for major financial institutions in the Central European region.

Since June 2021, Klára Starková has held the position of Chief Operating Officer and has been a member of the Management Board of MONETA Money Bank, a.s.

As Chief Operating Officer, she is responsible for IT and Shared Services. As such, she is leading the IT, operations and strategic change areas.

The service contract between Klára Starková and MONETA Money Bank became effective on 1 June 2021 and will terminate upon the termination of her office. The service contract provides for the following benefits upon termination of her office: in the period of up to nine months following the termination of her office, she is entitled to receive monthly in arrears a salary continuance equal to her monthly pre-termination base salary, subject to compliance with her non-compete obligations and other terms and conditions of her service contract.

ANDREW GERBER holds a bachelor's degree from Durham University in the United Kingdom. Mr. Gerber started his career at Bain and Company, where he worked in Australia, Sweden and the UK.

He entered banking in 2002, working for several British institutions, including the Royal Bank of Scotland, where he was responsible for retail lending, including mortgages, and insurance activities. Before joining MONETA Money Bank, Mr. Gerber spent five years in Banca Comercială Română, a Romanian subsidiary of Erste Group, as the Executive Director for retail product and segment management.

From July 2016 until June 2024, he held the position of Chief Products & Marketing Officer at MONETA Money Bank. In this role he was responsible for the strategy and performance of the Bank's retail franchise products, including product development, pricing and financial performance. He also led the Bank's digital transformation and customer analytics/CRM development. Between June 2020 and September 2024, he served as Chairman of the Management Board of MONETA Stavební Spořitelna, and until its merger with the Bank in January 2021, he also served as Chairman of the Management Board of Wüstenrot hypoteční banka a.s.

In July 2024 he was appointed Chief Retail Banking Officer responsible for the entire retail division. In September 2024, on the recommendation of the Nomination Committee of the Bank's Supervisory Board, he was elected as a new member of the Management Board for a four-year term.

Apart from his position as a member of the Management Board of MONETA Money Bank, he is also a member of the Supervisory Board of MONETA Stavební Spořitelna.

The service contract between Andrew John Gerber and MONETA Money Bank became effective on the date of his election, 10 September 2024, and will terminate upon the termination of his office. The service contract provides for the following benefits upon termination of his office: in the period of up to nine months following the termination of his office, he is entitled to receive a monthly salary continuance equal to his monthly pre-termination base salary, subject to compliance with his non-compete obligations and other terms and conditions of his service contract.

4.5.4 Activity Report of the Management Board

During 2024, the main tasks of the Management Board were managing business activities across both the retail and commercial franchises, and the delivery of the Group's strategic objectives. The Management Board prepared and discussed the separate and consolidated financial statements of the Bank and the Group for the financial year 2023, which were prepared according to IFRS.

The Management Board submitted the separate and consolidated financial statements of the Bank for the financial year 2023 for review to the Supervisory Board and then to the Annual General Meeting held on 23 April 2024, where they were approved. The Management Board also submitted a proposal regarding 2023 net profit distribution to the Supervisory Board for review, which was subsequently approved at the same Annual General Meeting. At the Annual General Meeting, the Management Board presented its report on the Bank's business activities and the Supervisory Board's proposal for the appointment of the external statutory auditor. The Management Board also prepared and approved the Bank's Annual Financial Report for the financial year 2023.

During 2024 the Management Board regularly reviewed and published consolidated quarterly financial results.

In October 2024, the Management Board submitted to the Supervisory Board for its review a proposal for the distribution of an extraordinary dividend in the amount of CZK 3 per share from the account of retained earnings. This proposal was approved at the General Meeting held on 19 November 2024.

In 2024, the Management Board held 53 meetings in total and adopted eight decisions outside the meeting through per rollam voting. A quorum is present when a simple majority of members of the Management Board are present at a meeting.

Overview of the Management Board meetings attendance.

Member of the Management Board	Number of Management Board meetings attended in 2024
Tomáš Spurný	89%
Carl Normann Vökt	94%
Jan Novotný	91%
Jan Friček	92%
Klára Starková	92%
Andrew John Gerber[4]	93%

In 2024, the Management Board regularly evaluated the Bank's capital adequacy and liquidity and approved the Internal Capital Adequacy Assessment Process ("ICAAP") and Internal Liquidity Adequacy Assessment Process ("ILAAP") reports, which were submitted to the Czech National Bank in accordance with CNB Decree No. 163/2014 Coll. The Management Board also discussed the capital management policy and reports on the market situation during each quarter of 2024.

The Management Board also allocated resources to implement regulatory expectations in the area of resolution planning. During the implementation, the Management Board regularly reviewed the implementation status and documents, which were submitted to the CNB.

As part of its activities, the Management Board regularly assessed all risks to which the Bank is exposed. In the field of risk management, the Management Board discussed reports on the developments in market and capital risks and developments in lending on capital markets. At the same time, the Management Board discussed and approved limits on market risks and approved certain large loans provided to clients. The Management Board approved competencies in providing the loans and dealt with issues of risk management supervision across the entire Group. In the operational risks area, the Management Board discussed regular quarterly reports containing information on the results of first-level controls.

Compliance risks were evaluated by the Management Board both in the Annual Report for the financial year 2023 and in the quarterly reports on the development of these risks. At the same time, the Management Board approved the 2023 annual evaluation report on the Bank's system against money laundering and the financing of terrorism.

The Management Board identified those employees whose professional activities have a material impact on the Bank's risk profile ("Material Risk Takers"). In 2024,

4 Member of the Management Board since 10 September 2024.

the Management Board considered 31 positions as material risk takers (see Chapter 4.7 Material Risk Takers).

In the area of Internal Audit, the Management Board discussed a number of documents and was regularly informed of all actions carried out by Internal Audit. The management of remedial measures and their proper implementation was fully addressed by the Management Board.

The Board monitored the status of individual projects relating to IT and digital strategy.

The Management Board evaluated the overall functioning and efficiency of the Bank's management and control system, which is functional and effective. Furthermore, the Management Board addressed reports on the handling of complaints and claims (including complaints sent to the Bank's Ombudsman).

The Management Board also discussed the Bank's strategic direction and business plan for the years 2025–2029.

The Management Board discussed all issues falling within its competence as the sole shareholder performing the duties of the General Meeting in the Group's subsidiaries, such as approving financial statements, the election and remuneration of members of company bodies, amendments to the articles of association, the appointment of auditors and other matters.

Throughout 2024 the Management Board was in regular contact with investors and conducted in total 83 hours of group or individual meetings or phone calls with 106 investors. MONETA also participated in four conferences and one roadshow organised by renowned banks and investment companies.

In 2024, the committees established by the Management Board held in total 108 meetings, which were attended by individual members of the Management Board. Such committees were established to ensure efficient management, and their detailed description and structure are described in Chapter 4.11.2 below.

As part of its activities, the Management Board decided on many other matters related to the organisational structure, approving internal directives within various areas or granting powers of attorney.

Great attention was further devoted to corporate governance issues in the context of new developments in Czech legislation and in the context of corporate governance standards. The Management Board evaluated its activities in 2024 and submitted its report on those activities for this period to the Supervisory Board.

4.6 KEY EXECUTIVE MANAGERS

The Chief Shared Services Officer, the Chief Digital Officer and the Chief Marketing Officer are the Key Executive Managers of the Bank. They provide strategic recommendations to the Management Board on retail products, marketing and retail franchise development and, in accordance with the internal governance policies of the Bank, have the power to make certain managerial decisions that may affect future development and the commercial strategy of the Bank, however not the overall business management in the meaning of section 121m (1) of the Capital Markets Act. Therefore, they are not persons in the meaning of section 121m (1) of the Capital Markets Act.

The Chief Shared Services Officer ensures the implementation of foreign and domestic non-cash payments, settlement of interbank Treasury operations, ensures the operation of the ATM network, ensures the rendering of banking information to law enforcement bodies, the courts, public authorities, executors, notaries and insolvency trustees, manages the Bank's car fleet and mobile phones, provides operational and technical management of the Bank's headquarters, sets rules and processes when handling documents, and ensures their storage and liquidation.

The Chief Digital Officer is responsible for defining the strategy for the development of digital platforms and their implementation and oversees all activities related to the Bank's digital platforms.

Chief Marketing Officer is responsible for planning and implementing marketing activities in accordance with the business and marketing strategy of MONETA, developing and realising the strategy of MONETA's brand in order to strengthen the brand image through marketing communication as well as having responsibility for the optimisation, improvement and consistency of communications and web-design across MONETA according to the latest market trends while aligned with the communication strategy of the Group.

As at 31 December 2024, the following persons were Key Executive Managers:

Name	Current role	In current role since	Employed since
Jiří Huml	Chief Shared Services Officer	1 February 2017	15 August 2016
Jakub Valenta	Chief Digital Officer	1 May 2023	1 May 2020
Sandra Kalijanko	Chief Marketing Officer	1 October 2024	1 February 2016

None of the aforementioned Key Executive Managers has been a member of the administrative, management or supervisory bodies of, or partner of, any company or partnership at any time during the previous five years, excluding companies within the Group.

JIŘÍ HUML has worked in the financial sector since 1992, mainly in banking and insurance. Since 1999, he has held several executive positions in operations, IT, product management and sales in the Czech Republic, Austria and Slovakia. He has also held non-executive positions in other financial institutions (asset management, insurance and building society) and in various charities.

Mr. Huml joined MONETA Money Bank in August 2016 as a Senior Project Manager for Rebranding. Later, he assumed responsibility for Facility Management, Security, Business Continuity, and Central Procurement. In February 2017, Mr. Huml was promoted to Chief Shared Services Officer, thus also acquiring responsibility for Retail Back-Office, Commercial Back Office, Payments, and Business Process Support departments.

From May 2020 until September 2023, Mr. Huml was a member of the Management Board of MONETA Stavební Spořitelna responsible for Operations and IT. Until its merger with MONETA Money Bank in January 2021, he also served as a member of the Management Board of Wüstenrot hypoteční banka a.s.

The employment contract between Mr. Huml and MONETA Money Bank was entered into with effect from 15 August 2016 and was later extended for an indefinite period. The employment contract provides for the following benefits upon termination of his employment: Mr. Huml is entitled to an extraordinary payment in the amount of up to six months' remuneration in case of the termination of his employment. Such extraordinary remuneration will be paid to Mr. Huml in six individual payments after the termination of his employment.

JAKUB VALENTA is a graduate of Lappeenranta University of Technology in Finland. He has been working in the IT field for more than 22 years. He started his career at GE Healthcare Finland in a team developing software for anaesthesia care. Subsequently, he worked for 13 years at Accenture, a consulting company, where his primary focus was on the development of IT systems in the financial services sector in the Central European region. He joined MONETA in 2020 after having cooperated as a contractor on the successful implementation of a key Card Management system solution. He first held the role of Head of IT Infrastructure and, from 2021, also Head of Data Management. Since May 2023, he has been in the role of Chief Digital Officer with the aim of further developing and expanding MONETA's digital platforms.

The employment contract between Mr. Valenta and MONETA Money Bank was entered into with effect from 1 May 2020 for an indefinite period. The employment contract does not provide any specific benefits upon the termination of his employment.

SANDRA KALIJANKO graduated from the Faculty of Social Sciences at Charles University in Prague, where she studied Media Studies. She started her career in 2006 in the online marketing department of the Allianz insurance company and then further developed her specialisation at UniCredit Bank, where she focused on marketing within multi-channel activities through mobile applications, internet banking and web pages. In addition to banking and insurance, she also worked for Danone Group, where she focused on B2C channel development in the Early Life Nutrition division within e-commerce.

She has been with MONETA Money Bank since 2016 and has held various marketing roles during her time, including agile leadership roles. She has worked in online marketing, social media marketing, and direct and affiliate marketing and has successfully led two progressive redesigns of MONETA's websites over the course of six years, both from a web design and user experience perspective, as well as from an IT development perspective.

Since October 2024, she has held the position of Chief Marketing Officer with the aim of consistently covering marketing activities across all communication channels and developing MONETA's visual and communication identity.

The employment contract between Sandra Kalijanko and MONETA Money Bank was entered into with effect from 1 February 2016 for an indefinite period. The employment contract does not provide any specific benefits upon termination of her employment.

4.7 MATERIAL RISK TAKERS

Material Risk Takers are employees with significant impact on the risk profile of MONETA Money Bank, a.s. on a consolidated basis in line with the requirements of European legislation and Czech law. Besides members of the Management and Supervisory Board, Material Risk Takers are statutory bodies and/or members of statutory bodies of companies within the Group and other employees with managerial responsibility within business, control and enabling functions.

In 2024, the following functions have been identified as Material Risk Takers besides the Management and Supervisory Boards:

- Key Executive Managers (please refer to Chapter 4.6);
- Statutory bodies of MONETA Auto, s.r.o., and MONETA Stavební Spořitelna, a.s.;
- Members of senior management engaged in control functions (Director Internal Audit; Director Compliance);
- Staff members having managerial responsibility for critical support functions (Director Legal; Director Human Resources; Senior Manager Accounting, Taxes & IFRS Reporting; Director IT Infrastructure & Enterprise Services; Director Core Banking Solutions; Senior Manager Cyber Security);
- Members of committees established by the Management Board (Senior Manager Financial Planning and Business Performance; Senior Manager Treasury; Senior Manager Enterprise Risk Management);
- Other staff members significantly influencing credit risk exposures (Senior Manager Commercial Risk; Senior Manager Retail & Small Business Risk; Senior Manager Collections; Senior Manager AML & Collateral Management; Senior Manager Risk Models & Fraud Management); and
- Upon the approval of the Management Board, other staff members managing critical processes with significant impact on MONETA Group (Director Retail Distribution; Senior Manager Small Business; Senior Manager Term Loans; Senior Manager Structured Finance).

Persons considered as Material Risk Takers are identified by evaluating both quantitative and qualitative criteria prepared by the Human Resources Department. The Management Board approves the Material Risk Takers group based on an assessment of these criteria. The process of identification is performed on a regular basis, at least annually and is subject to the internal audit review. The list can be extended on an as needed basis. The list of persons included in the Material Risk Takers group is regularly reviewed, at least once a year. Based on the proposal of the Management Board, it is reviewed by the Remuneration Committee and definitively approved by the Supervisory Board. In 2024, the list of persons was reviewed twice and was extended by one new position, while another two positions were removed from the list. The total number of identified persons is 31.

4.7.1 Remuneration of Material Risk Takers

Remuneration of Material Risk Takers is governed by the Remuneration Policy of Material Risk Takers in the MONETA Group approved by the Management Board. Due to that, their remuneration must follow the long-term sustainable remuneration principles to avoid unnecessary risk-taking. This includes but is not limited to: a balanced mix between fixed and variable remuneration, the deferred pay-out of variable remuneration, and the application of malus and clawback clauses. All Material Risk Takers participate in the Executive Variable Incentive Plan ("EVIP"), which complies with regulatory requirements.

4.8 REMUNERATION AND BENEFITS OF MEMBERS OF THE SUPERVISORY BOARD, THE MANAGEMENT BOARD AND KEY EXECUTIVE MANAGERS

4.8.1 Remuneration Policy Applied to the Supervisory and Management Boards

4.8.1.1 Legal Framework

Pursuant to Section 121k and following of the Capital Markets Act, which was introduced into Czech law in order to implement new provisions inserted to Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, the Bank is obliged to prepare a policy governing remuneration of Management and Supervisory Boards members (the "Remuneration Policy") and submit the Remuneration Policy to the General Meeting for its approval. Against this backdrop, the Management Board submitted a new Remuneration Policy to the General Meeting of the Bank held on 23 April 2024, at which the Remuneration Policy was approved in its submitted wording by the shareholders with effect from the same date. The Management Board is required to submit the Remuneration Policy to the General Meeting at every substantial change or at least once every four years.

4.8.1.2 Key Principles

The Remuneration Policy is based on the following principles:

- **Regulatory Compliance.** Reflecting good corporate governance and regulatory compliance, ensuring sustainability and effective risk management.

- **Shareholder Alignment.** Reflecting shareholder value interest through the linking of management variable rewards with respect to the Management Board and senior management of the Group.

- **Pay for Performance.** A long-established best practice of pay for performance, including rewards or clawbacks pertaining to individual remuneration based on performance against specific metrics,

both internally (individual, department, and Group objective achievement) and externally (shareholder return). Ultimately ensuring the attraction, retention, and motivation of top performers and the sound management of the Group.

- **Equity, Internal/External.** Remuneration principles reflect internal equity requirements and prudent risk management, based on organizational level, individual responsibilities, and long-term performance. Further, the policy utilizes external market benchmarks, where feasible. The Group does not allow any form of discrimination, including but not limited to ensuring comparable remuneration for women and men.

The above principles reflect MONETA's long-term strategy. The general rules and principles of remuneration of members of the Management Board and the Supervisory Board are set out in the Remuneration Policy. The detailed structure of targets and remuneration paid and granted is part of the Remuneration Report for 2024. Both documents are available on MONETA's investor website https://investors.moneta.cz/.

4.8.2 Remuneration and Benefits of Supervisory Board Members in 2024

For performance of their office in the Supervisory Board and the committees established by the Supervisory Board, the Supervisory Board members are rewarded with fixed remuneration, paid monthly, in arrears.

No variable remuneration (e.g., annual bonus) is awarded by the Bank or other member of the Group to the Supervisory Board members.

The table below sets out the total remuneration received by the Supervisory Board members in the year 2024 for performance of their office in the Supervisory Board and the committees established by the Supervisory Board:

Item	Amount[5] (in thousands CZK)
Total remuneration (fixed part)	11,512
Benefits	-
Total	**11,512**

Remuneration of the Supervisory Board and committees established by the Supervisory Board follows the internal regulation approved by the General Meeting held on 26 October 2017:

Position	Annual Remuneration[6] (in EUR)
Supervisory Board	
Chairman	100,000
Vice-Chairman	70,000
Member	48,000
Risk Committee	
Chairman	17,000
Member	7,000
Remuneration Committee	
Chairman	16,000
Member	7,000
Nomination Committee	
Chairman	16,000
Member	7,000

4.8.3 Remuneration of Audit Committee Members in 2024

For performance of their office in the Audit Committees, the Audit Committee members are rewarded with:

- Fixed remuneration, paid monthly in arrears; and
- Compensation of travel costs, if an Audit Committee member travels in connection with the performance of his/her function.

No variable remuneration (e.g., annual bonus) is awarded by the Bank or other member of the Group to Audit Committee members.

The table below sets out the total remuneration paid to Audit Committee members in the year 2024 for performance of their office:

Item	Amount[7] (in thousand CZK)
Total remuneration (fixed part)	1,011
Total	**1,011**

5 Does not include the remuneration paid to Mr. Petrman, Mr. Hall, Mrs. Prokopcová and Mrs.Jirásková for performance of their office in the Audit Committee. Does not include the remuneration paid to all three members of the Supervisory Board elected by employees. Their annual remuneration for performing their jobs as employees was higher than the annual remuneration for performing the function as the member of the Supervisory Board stipulated by the internal regulation. In such cases, the performance of the office of the member of the Supervisory Board is without remuneration.

6 The above remuneration of the Supervisory Board members is fixed in CZK using the EUR/CZK exchange rate announced by the CNB as at 26 October 2017. If the annual remuneration of members of the Supervisory Board elected by the employees for performing his/her job as employee is the same as, or higher than, the annual remuneration for performing the function of the member of the Supervisory Board stipulated by the internal regulation, then the performance of this function of the member of the Supervisory Board is without remuneration.

7 Does not include the remuneration paid to Mr. Petrman, Mr. Hall, Mrs. Prokopcová and Mrs. Jirásková for performance of their office in the Supervisory Board or Nomination/Remuneration Committee.

The internal regulation concerning the remuneration of the Audit Committee was approved by the General Meeting held on 26 October 2017, as follows:

Position	Annual Remuneration[8] (in EUR)
Chairman	19,000
Member (within the Supervisory Board)	8,000
Member (outside the Supervisory Board)	15,000

4.8.4 Remuneration and Benefits Awarded to and Received by Management Board Members in 2024

The table below sets out the total remuneration and benefits awarded to or received by Management Board members in 2024:

Item	Amount (in thousand CZK)
Remuneration for the year 2024	
Fixed remuneration	58,215
Variable remuneration recognised and received in cash	-
Variable remuneration recognised (not received in cash)	40,460
Benefits	6,333
Total remuneration for 2024	**105,007**
Variable remuneration received in 2023 in cash and related to performance 2019–2023	25,504

4.8.5 Remuneration and Benefits Awarded to and Received by Key Executive Managers in 2024

The table below sets out the total remuneration and benefits awarded to or received by Key Executive Managers in the year 2024:

Item	Amount (in thousand CZK)
Remuneration for the year 2024	
Fixed remuneration	21,631
Variable remuneration recognised and received in cash	-
Variable remuneration recognised (not received in cash)	8,670
Benefits	2,514
Total remuneration for 2024	**32,815**
Variable remuneration received in 2024 in cash and related to performance 2019–2023	8,001

4.9 SHARES AND SHARE OPTIONS HELD BY THE SUPERVISORY BOARD, THE MANAGEMENT BOARD, AUDIT COMMITTEE MEMBERS AND KEY EXECUTIVE MANAGERS

The following table provides information on the number of shares issued by the Bank and share options relating to the Bank's shares which were as at 31 December 2024 held by members of the Management Board, the Supervisory Board, Key Executive Management Members and the Audit Committee and their close persons:

	Shares	Share options
Management Board Members (total)	398,164	-
Supervisory Board Members (total)	100,000	-

4.10 OTHER INFORMATION REGARDING THE MEMBERS OF THE MANAGEMENT BOARD, THE SUPERVISORY BOARD, AUDIT COMMITTEE AND KEY EXECUTIVE MANAGERS

In the last five years no member of the Management Board, the Supervisory Board and the Audit Committee, and no Key Executive Manager, has been:

- Convicted in relation to any (fraudulent) offence;
- Subject to any official public incrimination and/ or sanctions by statutory or regulatory authorities (including designated professional bodies);
- Disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer of securities or from acting in the management or conduct of the affairs of any issuer of securities; and
- Associated with any bankruptcies, receiverships or liquidations, when acting in his/her capacity as a member of the administrative, management or supervisory body or as a senior manager.

There are no conflicts of interest between the duties of members of the Management Board, the Supervisory Board, the Audit Committee, and Key Executive Managers and their private interests or other duties.

8 The above remuneration of Audit Committee members is fixed in CZK using the EUR/CZK exchange rate announced by the Czech National Bank as at 26 October 2017.

4.11 COMMITTEES ESTABLISHED BY THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD

4.11.1 Committees Established by the Supervisory Board

The Nomination Committee, the Remuneration Committee and the Risk Committee established by the Supervisory Board, together with their powers and duties, and chairs and members, are described below.

4.11.1.1 Nomination Committee

The Nomination Committee is a supporting and advisory body of the Supervisory Board. The Nomination Committee consists of three members elected and recalled by the Supervisory Board from among its own members, with the majority of its members being independent.

The Nomination Committee shall in particular:

a) identify and recommend candidates to fill the vacancies on the Management Board or the Supervisory Board for the approval of the Supervisory Board or the General Meeting, as the case may be;
b) assess and recommend candidates to fill the vacancies for the positions of Director Internal Audit and Director Compliance;
c) periodically, and at least annually, assess the structure, size, composition and performance of the Management Board and the Supervisory Board and make recommendations to the Supervisory Board with regard to any changes;
d) periodically, and at least annually, assess the trustworthiness, knowledge, skills and experience of individual members of the Management Board and of the Supervisory Board; of the Management Board collectively and of the Supervisory Board collectively; and report to the Supervisory Board accordingly;
e) periodically review the policy of the Management Board and the Supervisory Board for selection and appointment of senior management and make recommendations to the Supervisory Board; and
f) exercise other powers and responsibilities vested to the Nomination Committee by applicable law, the Bank's Articles of Association or by the Bank's internal rules, to the extent that those comply with applicable law.

The Nomination Committee, when nominating candidates for vacancies on the Supervisory Board and the Management Board, analyses the overall composition of the various bodies in terms of professional skills and experience and takes into account the level of diversity in terms of experience, education, qualifications, profession, social status, gender, nationality and age. Candidate profiles are assessed in terms of knowledge, professional experience, past work, results, reliability and reputation.

The Nomination Committee makes decisions by a simple majority of votes cast at the meeting. The quorum for a meeting of the Nomination Committee is a simple majority of all its members. Meetings of the Nomination Committee are called by the Chairman of the Nomination Committee.

As at 31 December 2024, the following persons were members of the Nomination Committee:

Name	Role
Clare Ronald Clarke	Chairman of the Committee
Gabriel Eichler	Member of the Committee
Zuzana Prokopcová	Member of the Committee

In 2024 the Nomination Committee held four meetings, which were attended by all members.

4.11.1.2 Remuneration Committee

The Remuneration Committee is a supporting and advisory body of the Supervisory Board. The committee consists of three members elected and recalled by the Supervisory Board from among its own members, with the majority of its members being independent.

The Remuneration Committee shall, in particular:

a) establish the remuneration strategy for the Bank;
b) establish and maintain remuneration principles of new and existing members of the Management Board and Material Risk Takers;
c) review and approve all aspects of fixed and variable remuneration of the Management Board;
d) approve the Remuneration Report;
e) comment on remuneration matters of Material Risk Takers, as they arise;
f) review and approve all aspects of fixed and variable compensation for the position of Director Internal Audit and Director Compliance; and
g) exercise other powers and responsibilities vested to the Remuneration Committee by applicable law, the Bank's Articles of Association or by the Bank's internal rules, to the extent that those comply with applicable law.

The Remuneration Committee makes decisions by a simple majority of votes cast at the meeting. The quorum for a meeting of the Remuneration Committee is a simple majority of all its members. Meetings of the Remuneration Committee are called by the Chairman of the Remuneration Committee.

As at 31 December 2024, the following persons were members of the Remuneration Committee:

Name	Role
Clare Ronald Clarke	Chairman of the Committee
Miroslav Singer	Member of the Committee
Gabriel Eichler	Member of the Committee

In 2024 the Remuneration Committee held five meetings, which were attended by all members.

4.11.1.3 Risk Committee

The Risk Committee is a supporting and advisory body of the Supervisory Board. The committee consists of three members elected and recalled by the Supervisory Board from among its own members, with the majority of members being independent.

The Committee shall in particular:

a) advise the Supervisory Board on the Bank's overall current and future risk approach, risk strategy and risk appetite;

b) assist the Supervisory Board in overseeing the implementation of the risk strategy by the Bank's senior management;
c) on a quarterly basis, review the regulatory risk profile of the Bank or any of its subsidiaries;
d) on a quarterly basis, review the Group's IT security policies and measures;
e) on a quarterly basis, monitor major regulatory risks or issues along with compliance with the risk appetite and with all other risk policies (as approved by the Management Board) and oversee any actions taken as a result of material risk policy breaches;
f) on a quarterly basis, oversee changes in the Group's regulatory risk management environment and other emerging risks and monitor the Group's preparedness for such changes;
g) on a quarterly basis, oversee the Group's capital and liquidity position through escalation and regular reporting from the Enterprise Risk Management Committee ("ERMC") and the Asset and Liability Committee ("ALCO");
h) on an annual or as required basis, review information and reports on key management and control functions (including but not limited to, the ERMC and the ALCO to assess the level and nature of the risks the Group is facing and to make recommendations to the Management and Supervisory Board to adjust its risk appetite if necessary); and
i) provide other activities pertaining to business risks of the Bank.

The Risk Committee makes decisions by a simple majority of votes cast at the meeting. The quorum for a meeting of the Risk Committee is a simple majority of all its members. Meetings of the Risk Committee are called by the Chairman of the Risk Committee.

As at 31 December 2024 the following persons were members of the Risk Committee:

Name	Role
Miroslav Singer	Chairman of the Committee
Denis Arthur Hall	Member of the Committee
Kateřina Jirásková	Member of the Committee

In 2024, the Risk Committee held four meetings, which were attended by all members.

4.11.2 Committees Established by the Management Board

The committees established by the Management Board, their roles and responsibilities, and their composition as at 31 December 2024 are listed below.

4.11.2.1 Asset & Liability Committee

The Asset & Liability Committee ("ALCO") is responsible for the management and coordination of activities in the area of asset & liability management, capital, market risk and liquidity risk management of companies of the Group. In 2024, ALCO meetings were held on a monthly basis.

Its main responsibilities include:

a) advising the Management Board in the area of asset & liability management, capital, market and liquidity risk management;
b) monitoring market and liquidity risk, asset & liability structure, capital, capital requirements (regulatory and internal) and capital adequacy;
c) approving remediation measures in case of adverse trends or limited breaches;
d) approving methods, scenarios and limits; including limits for funding;
e) approving investment products and transaction limits for Treasury transactions;
f) approving investment strategy for Treasury transactions;
g) approving Funds Transfer Pricing methodology;
h) approving hedging strategy;
i) assessing the profitability of Treasury transactions;
j) discussing and approving documents related to the resolvability in the area of its competence and taking measures in case of identified deficiencies.

The ALCO makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the ALCO is half of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the ALCO may appoint another voting member to exercise his or her voting rights. Non-voting members have no voting rights.

As at 31 December 2024, the following positions were members of the ALCO:

Members
Voting members
Chief Financial Officer (Chair)
Chief Executive Officer (Vice-Chair)
Chief Risk Officer
Chief Commercial Banking Officer
Chief Retail Banking Officer
Senior Manager Treasury
Non-voting members
Director Legal
Senior Manager Enterprise Risk Management
Senior Manager Financial Planning and Business Performance
Manager ALM

4.11.2.2 Credit Committee

The Credit Committee ("CRCO") is responsible for the management and coordination of activities in the area of credit risk of the Group. In 2024, CRCO meetings were held on a weekly basis.

Its main responsibilities include:

a) advising the Management Board concerning credit risk;
b) maintaining proper methods for credit risk management;
c) managing the credit portfolio and its limits as well as collateral, including setting action plans in case of limit breaches;
d) approving credit-risk-related stress tests and other parameters and monitoring of their results;
e) tracking and assessing the changes of macro-economic environment as well as external legislation and regulation relevant for credit risk management;
f) keeping the internal control system and processes for credit risk management efficient and adequate;
g) informing other relevant bodies of the Group about significant events in the area of credit risk management;
h) evaluating, approving and monitoring large exposures, including those towards financial institutions, governments and countries;
i) monitoring of loan-loss allowances and their overall trends; and
j) tracking large defaulted exposures and credit frauds.

The CRCO makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the CRCO is two (until 30 December 2024 half) of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the CRCO may appoint another voting member to exercise his or her voting rights. Non-voting members have no voting rights.

As at 31 December 2024, the following positions were members of the CRCO:

Members
Voting members
Chief Risk Officer (Chair)
Chief Executive Officer (Vice-Chair)
Chief Financial Officer
Chief Commercial Banking Officer
Chief Retail Banking Officer
Non-voting members
Senior Manager Commercial Risk
Chief Risk Officer of the Building Savings Bank
Senior Manager Collections
Senior Manager Retail & Small Business Risk
Senior Manager Enterprise Risk Management

4.11.2.3 Enterprise Risk Management Committee

The Enterprise Risk Management Committee ("ERMC") is responsible for the management and coordination of activities in the area of risk management framework, model risk management and internal capital adequacy assessment process ("ICAAP") of the Group. In 2024, ERMC meetings were held on a monthly basis.

Its main responsibilities include:

a) advising the Management Board concerning the risk management framework, model risk management and ICAAP;
b) monitoring of effectiveness and adequacy of the risk management framework;
c) ensuring effective, efficient and reliable methods for risk management;
d) reviewing risk management limits;
e) discussing and approving documents relating to resolvability in its area of competence and taking measures in case of recognised deficiencies
f) reviewing and approving information security principles;
g) approving ICAAP principles and remedial measures in case of recognised deficiencies;

h) monitoring risks identified within ICAAP; and
i) approving methodology for risk-weighted assets.

The ERMC makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the ERMC is half of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the ERMC may appoint another voting member to exercise his or her voting rights. Non-voting members have no voting rights.

As at 31 December 2024, the following positions were members of the ERMC:

Members
Voting members
Chief Risk Officer (Chair)
Chief Executive Officer (Vice-Chair)
Chief Financial Officer
Chief Commercial Banking Officer
Chief Operating Officer
Non-voting members
Director Legal
Director Compliance
Senior Manager Enterprise Risk Management
Senior Manager Treasury

4.11.2.4 Operational Risk Committee

The Operational Risk Committee ("ORCO") is responsible for the management and coordination of activities in the area of operational risk management and the internal control system of the Group. In 2024, ORCO meetings were held on a monthly basis.

Its main responsibilities include:

a) advising the Management Board concerning the operational risk management and internal control system;
b) monitoring of effectiveness and adequacy of the internal control system;
c) ensuring effective, efficient and reliable methods for operational risk management;
d) approving limits, scenarios, Key Risk Indicators and other parameters used in operational risk management;
e) monitoring trends and limits in operational risk and approving remedial actions in case of adverse trends.

The ORCO makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the ORCO is half of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the ORCO may appoint another voting member to exercise his or her voting rights. Non-voting members have no voting rights.

As at 31 December 2024, the following positions were members of the ORCO:

Members
Voting members
Chief Risk Officer (Chair)
Chief Executive Officer (Vice-Chair)
Chief Financial Officer
Chief Operating Officer
Chief Retail Banking Officer
Senior Manager Enterprise Risk Management
Non-voting members
Director Legal
Director Compliance
Chief Shared Services Officer
Chief Digital Officer
Director IT Infrastructure & Enterprise Services
Senior Manager AML & Collateral Management
Senior Manager Risk Models & Fraud Management
Manager Operational Risk and Risk Governance

4.11.2.5 Business Review Committee

The Business Review Committee is responsible for the management and coordination of activities in the area of prices, fees and commissions of the Group. In 2024, Business Review Committee meetings were held on a monthly basis.

The Business Review Committee mainly:

a) reviews and approves pricing plans and the Group's pricing strategy;
b) approves rates and fees for particular products;
c) ensures compliance of rates, fees and commissions with legal and regulatory requirements; and
d) approves parameters and conditions of contracts with external partners.

The Business Review Committee makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the Business Review Committee is half of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the Business Review Committee may appoint another voting member to exercise his or her voting rights. Non-voting members have no voting rights.

As at 31 December 2024, the following positions were members of the Business Review Committee:

Members
Voting members
Chief Executive Officer (Chair)
Chief Financial Officer (Vice-Chair)
Chief Commercial Banking Officer
Chief Risk Officer
Chief Retail Banking Officer
Senior Manager Financial Planning and Business Performance
Non-voting members
Senior Manager Term Loans
Manager Product Finance & Sales Incentives
Senior Manager Treasury
Senior Manager Deposits & Cards
Senior Manager Investments & Insurance
Director Retail Distribution
Senior Manager Products Development
Senior Manager Small Business
Managing Director MONETA Auto

4.11.2.6 Compensation Committee

The Compensation Committee is responsible for the management and coordination of activities in the area of compensations and benefits for the employees of the Group. In 2024, Compensation Committee meetings were held on a quarterly basis.

The main responsibilities include:

a) preparing compensation strategy and communicating the benefit and compensation philosophy to the employees;
b) proposing to the Bank's Management Board positions into the Material Risk Takers category and reviewing and approving individual changes in their wages (except for members of the Bank's Management Board);
c) reviewing, discussing and approving of individual exceptions in employee's compensation above the level defined by internal policies;
d) reviewing and approving of promotions, offers and salary changes for strategic positions;
e) approving of incentive programmes and their payouts, payments exceeding the approved programme budgets and incentive payments outside the currently valid incentive programmes.

The Compensation Committee makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the Compensation Committee is half of its voting members. Non-voting members have no voting rights.

As at 31 December 2024, the following persons were members of the Compensation Committee:

Members
Voting members
Chief Executive Officer
Chief Financial Officer
Chief Risk Officer
Chief Commercial Banking Officer
Chief Operating Officer
Chief Retail Banking Officer
Non-voting members
Director Human Resources (Chair)

4.11.2.7 Compliance and Anti-Fraud Committee

The Compliance & Anti-Fraud Committee ("CAFC") is responsible for the management and coordination of activities in the area of internal controls, compliance risk, anti-fraud management and prevention in the area of anti-money laundering and combating the financing of terrorism ("AML/CFT") of companies of the Group. In 2024, CAFC meetings were held on a quarterly basis.

Its main responsibilities include:

a) using reliable, efficient and effective methods for managing compliance risk;
b) maintaining a reliable and integrated framework for managing compliance risk;
c) approving methods and limits for compliance risk management;
d) approving remedial measures in case of identified deficiencies of internal controls;
e) reviewing of new legislation and regulatory requirements and addressing responsibility for their implementation;
f) reviewing anti-fraud reports and approving material remedial measures in the area of anti-fraud management; and
g) approving and deciding on actions to remedy any deficiencies and regularly reviewing key AML/CFT metrics.

The CAFC makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the CAFC is half of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the CAFC may appoint another voting member to exercise his or her voting rights. Non-voting members have no voting rights.

As at 31 December 2024, the following positions were members of the CAFC:

Members
Voting members
Director Compliance (Chair)
Chief Risk Officer (Vice-Chair)
Chief Executive Officer
Chief Financial Officer
Chief Operating Officer
Chief Commercial Banking Officer
Non-voting members
Chief Retail Banking Officer
Chief Shared Services Officer
Director Human Resources
Senior Manager AML & Collateral Management
Manager Operational Risk and Risk Governance

4.11.2.8 Business Continuity Management Committee

The Business Continuity Management Committee is responsible for the activities in the area of business continuity management ("BCM") of the Group. In 2024, Business Continuity Management Committee meetings were held on a quarterly basis.

Its main responsibilities include:

a) reviewing and recommending the BCM Programme and consolidated evaluation of Business Impact Analysis for the Management Board's approval;
b) approving the background for the Management Board's decision on the scope of the Business Impact Analysis;
c) determining further requirements for managing the risks related to maintaining business continuity;
d) reviewing and assessing control reports of regulatory authorities in the area of business continuity management;
e) reviewing BCM test scenarios and their evaluation and approving corrective actions to address identified deficiencies; and
f) monitoring the progress of the BCM Programme.

The Business Continuity Management Committee makes decisions by a simple majority of votes of members or their deputies present at the meeting; in the case of a tied vote, the chairperson's vote is decisive. The quorum for a meeting of the Business Continuity Management Committee is a simple majority of all its members or their deputies, and present members exceed present deputies. If absent, a member of the Business Continuity Management Committee may appoint a deputy to exercise his or her voting rights.

As at 31 December 2024, the following positions were members of the Business Continuity Management Committee:

Members
Voting members
Chief Shared Services Officer (Chair)
Director IT Infrastructure & Enterprise Services (Vice-Chair)
Chief Digital Officer
Director Compliance
Director Human Resources
Manager Security (Shared Services Division)
Senior Manager Products Development (Commercial Banking Division)
Senior Manager Treasury (Finance Division)
Manager Operational Risk and Risk Governance (Risk Management Division)
Senior Manager Payments & Customer Service (Building Savings Bank)
Senior Manager Deposits & Cards (Retail Banking Division)
Manager Dealer Management, Sales (MONETA Auto)
Managing Director (MONETA Leasing)

4.11.2.9 Sustainability Committee

The Sustainability Committee is responsible for the management and coordination of activities in the area of environmental, social and governance („ESG") of the Group. In 2024, the Sustainability Committee meetings were held on a quarterly basis.

Its main responsibilities include:

a) advising the Management Board in the area of ESG;
b) discussing the Group's ESG strategy and proposing it to the Management Board for approval;
c) discussing ESG reports (at least quarterly) on the achievement of the objectives set out in the Group's ESG strategy and deciding on remedial measures in case of adverse trends;
d) assessing changes in the surrounding environment (in particular, the regulatory and legal environment and significant external events) relevant to ESG in order to identify risks and opportunities and take appropriate action to mitigate risks or take advantage of such opportunities.

The Sustainability Committee makes decisions by a simple majority of votes present at the meeting. The quorum for a meeting of the Sustainability Committee is half of its voting members exercising a simple majority of votes of all voting members. If absent, a voting member of the Sustainability Committee may appoint another voting member to exercise his or her voting rights.

As at 31 December 2024, the following positions were members of the Sustainability Committee:

Members
Voting members
Chief Executive Officer (Chair)
Chief Risk Officer (Vice-Chair)
Chief Financial Officer
Chief Commercial Banking Officer
Chief Operating Officer
Chief Retail Banking Officer
Non-voting members
Chief Shared Services Officer
Director Human Resources
Director Compliance
Senior Manager Sustainability, Talent Acquisition & Development

4.11.2.10 MON FAIR Committee

MON FAIR is an advisory committee to the Management Board for diversity, fair treatment and inclusion of employees. In 2024 MON FAIR Committee meetings were held on a monthly basis.

Its main responsibilities include:

a) oversees the equal remuneration of men and women working in comparable positions and develops support programmes to increase the number of women in managerial positions;
b) oversees the inclusion of disabled colleagues;
c) focuses on removing inequalities towards LGBTQ+ employees;
d) prepares support programmes for employees on maternity and parental leave in order to facilitate their return to working environment and supports the balance between family and work life of employees who are parents;
e) sets up intergenerational dialogue, supports informal care givers and chronically ill employees;
f) plans activities to broaden the scope of employee care in the area of diversity and inclusion in order to cover the widest possible range of topics.

MON FAIR makes decisions by a simple majority of votes of present voting members. The quorum for a meeting of the MON FAIR is a simple majority of all voting members.

As at 31 December 2024, the following positions were members of the MON FAIR:

Members
Voting members
Director Human Resources (Chair)
Senior Manager Investor Relations
Senior Manager Deposits & Cards

4.12 INTERNAL AUDIT

The Internal Audit function operates in accordance with CNB Decree No. 163/2014 Coll., as amended. The Internal Audit and its activities follow the International Professional Practices Framework issued by the Institute of Internal Auditors.

The Internal Audit in a complete and interconnected manner, covers all activities within the Bank and focuses on identifying risks to which the Bank is exposed. The Internal Audit provides objective and independent assurance to the Management Board, the Audit Committee and the Supervisory Board as to the functionality and efficiency of risk management, control and governance processes within the Bank.

In 2024, the Internal Audit completed the delivery of the 2021–2024 audit cycle according to the Strategic Audit Plan. The Internal Audit executed assurance engagements in accordance with the Strategic and Periodic Audit Plans based on regular risk assessments and reflecting regulatory requirements. In 2024, the Internal Audit delivered the Audit Plan and evaluated relevant auditable processes in the Group and issued in total 36 audit reports for assurance engagements.

The Internal Audit evaluates the Internal Control System of the Bank. The results of this assessment are issued annually in the Report on Evaluation of the Functionality and Efficiency of the Internal Control System. In this Report, issued in 2024, the Internal Audit evaluates the Internal Control System of the Bank as functioning and effective.

4.13 INFORMATION ON INTERNAL CONTROL AND APPROACH TO RISKS IN THE PROCESS OF ACCOUNTING AND PREPARING FINANCIAL STATEMENTS

The Group uses various technical and governance measures in order to maintain its financial statements. These measures ensure compliance with the relevant accounting standards and provide users of the financial

statements with a true and fair view of the financial position, equity position, cash flows and profitability of the Group.

These measures comprise internal governance, namely the Group's consistent accounting policies, and process set-up. This means multi-level controls over transactions being recorded, and maximum attention being paid to the automation of booking accounting entries.

Pursuant to Act No. 563/1991 Coll., on accounting, as amended, the Bank and its subsidiary Building Savings Bank present their financial statements in accordance with IFRS. Subsidiaries MONETA Auto and MONETA Leasing prepare their financial statements in accordance with Czech Accounting Standards and are subject to IFRS consolidation at the Group level.

The Group maintains its accounting ledgers through Oracle Financials, using inputs of several auxiliary systems which are regularly subject to internal testing as an important component of the Group's financial reporting environment.

Governance and process set-up measures control the circulation of documents supporting the journal entries. As a key rule, any accounting record may only be posted on the basis of the multi-level approval process. This rule excludes any possibility of a single employee having more than one role in the hierarchy. Approval takes place online through the approval process in Oracle's accounting system. In terms of organisation, the accounting function is separated from the process of managing business partners (e.g., the setup of bank accounts or payment conditions) or procurement.

Only users with appropriate rights have access to the accounting system. Access rights for the system are granted by means of a software application and are subject to approval by both a superior and by the owner of the accounting process. Access is provided according to the employee's job position and reviewed on a regular basis. Only employees of the relevant department have rights for active operations (posting) in the accounting system. The accounting system maintains an audit trail which allows for the identification of the user that created, changed or reversed any accounting record.

The Group has established a system of defining responsibilities for the groups of individual balance sheet accounts (known as the reconciliation system) whereby a specific employee is responsible for reconciling a particular account or group of accounts in the general ledger with independent back-up. Control over the account reconciliation is tracked in the reconciliation systems on a monthly or quarterly basis and is approved by a superior and, on an ad hoc basis, by a senior member of the finance department (always different from the person who is preparing or reviewing the reconciliation). Within the reconciliation process, the Group stipulates several criteria for proper account reconciliation, such as the exact description of the account, timeliness, independent supporting documentation and its accessibility, and manager oversight control.

The correctness of the accounts and presented financial statements is monitored on an ongoing basis. In addition, annual financial statements are audited by an external auditor who carries out the audit of separate and consolidated financial statements as at the balance sheet date, i.e., 31 December of a given year.

4.14 CORPORATE GOVERNANCE BUILDING BLOCKS

The corporate governance structure of the Bank complies with Act No. 90/2012 Coll., on business corporations and co-operatives, as amended (hereafter the "Business Corporations Act"), as well as stringent requirements under Czech and EU banking regulation and international capital markets corporate governance standards. This ensures that the Bank maintains a high standard of transparency, oversight and accountability.

Rather than adopting an external corporate governance code, the Bank has chosen to rely on its own robust governance practices, as outlined in the Articles of Association and detailed throughout this Annual Financial Report. This approach allows the Bank to provide a governance structure that is understandable, transparent and tailored to its specific operations and stakeholders.

The Bank's corporate governance is built on the following building blocks and principles that guide governance across the Group:

Shareholders – The Bank's significant shareholders have a sound reputation, integrity, professional competency and a stable financial situation. The shareholders' right to participate in the management of the Bank is exercised mainly through their participation and decisions at the General Meeting. The General Meeting is authorised to decide on matters falling under established areas of competence.

More information on the General Meeting is available in Chapter 4.2 of this Annual Financial Report – General Meeting.

Management and Supervisory Bodies – In order to ensure an effective oversight and management process,

the roles and responsibilities of the Supervisory Board and the Management Board are clearly defined. The Management and Supervisory Bodies members are and remain qualified, individually and collectively, for their positions. They understand their oversight and corporate governance role and are able to exercise sound, objective judgement in all the affairs in their area of competence.

More information on the Management and Supervisory Bodies is available in Chapters 4.3 and 4.5 of this Annual Financial Report – Supervisory Board and Management Board.

Group Structure – The Bank, as a parent company, has the overall responsibility for the Group and for ensuring the establishment and operation of a clear governance framework appropriate to the size, structure, business complexity and risks of the Group and its entities.

More information on the Group structure is available in Chapter 1 of this Annual Financial Report – Profile of MONETA Money Bank and Its Subsidiaries.

Risk Management Function – The Bank has an effective independent risk management function (Risk Management), under the coordination of Chief Risk Officer (CRO), with sufficient stature, independence, resources and access to the Management and Supervisory Bodies. Risks are identified, monitored and controlled on an ongoing basis. The Bank's risk management and internal control infrastructure is reviewed and enhanced whenever changes arise in the Bank's risk profile, to the external risk landscape or in industry practice.

More information on the Risk Management Function is available in Chapter 5 of this Annual Financial Report – Risk Management.

Compliance Function – The Bank has an effective and independent compliance function with sufficient authority, resources, and direct access to the Management and Supervisory Bodies. It is responsible for identifying, assessing, monitoring, and reporting compliance risks. The compliance function within the Bank is carried out in cooperation with other departments by the Compliance Department, under the leadership of the Director of Compliance. Its primary role is to ensure that the Bank adheres to all relevant legal and regulatory requirements. In addition, the Compliance Department advises the Management Board and other Bank departments on compliance matters, manages the internal regulatory base, ensures data protection, organises regular compliance training, and conducts compliance testing, along with other key activities.

More information on the Compliance Function is available in Chapter 5.5 of this Annual Financial Report – Operational Risk.

Internal Audit Function – The Internal Audit Function (Internal Audit) provides independent assurance to the Management and Supervisory Bodies as well as support in promoting an effective governance process and the long-term soundness of the Bank.

More information on the Internal Audit Function is available in Chapter 4.12 of this Annual Financial Report – Internal Audit.

Remuneration – The Bank's remuneration structure supports sound corporate governance and risk management.

More information on remuneration is available in Chapter 4.8 of this Annual Financial Report – Remuneration and Benefits of Members of the Supervisory Board, the Management Board and Key Executive Managers.

Disclosure and Transparency – The governance of the Bank is adequately transparent to its shareholders, depositors, other relevant clients and market participants. The Bank ensures appropriate disclosures and transparency towards its stakeholders in line with applicable regulatory requirements. The Bank has implemented a formal policy in order to ensure mainly: (i) identification of all regulatory requirements related to public disclosures, (ii) disclosure is in accordance with all applicable standards, regulatory requirements and applicable law, (iii) disclosure content, format and roles and responsibilities with regards to disclosure development for meeting the regulatory requirements or (iv) assessment of the appropriateness of disclosures, including their verification and frequency.

The Supervisory Board and the Management Board are responsible for establishing and maintaining an effective internal control structure over the disclosure of financial information. They must also ensure that an appropriate review of the disclosures takes place. As part of maintaining an effective internal control mechanism over the disclosure of financial information, the Audit Committee oversees the financial statements preparation, creation and closing process, and the process of the external statutory audit.

More information on corporate governance prepared in line with the Corporate Sustainability Reporting Directive ("CSRD") is available in Chapter 13 "Sustainability Statement".

4.15 REMUNERATION CHARGED BY EXTERNAL STATUTORY AUDITORS OF THE GROUP IN 2024

CZK m	Bank	Group
Statutory audit	13	19
Other assurance services[9]	13	13
Other services[10]	2	2
Total (incl. VAT)	**28**	**34**

4.16 OTHER LEGAL REQUIREMENTS

The summary explanatory report pursuant to Section 118(4) of the Capital Markets Act is based on the requirements set forth in Section 118(5)(a) through (k) of the Capital Markets Act.

a) Information on the structure of the Bank's equity on a consolidated basis as at 31 December 2024:

CZK m	
Share capital	10,220
Statutory reserve	102
Other Reserves[11]	1
Retained earnings	21,556
Total equity	**31,879**

As at 31 December 2024, the registered share capital consisted of 511,000,000 shares, with a nominal value of CZK 20 each. The issue price of all shares has been paid up in full. All the shares were issued as registered book-entry shares.

The Bank's registered share capital is divided exclusively into common shares, with no special rights attached. All of the Bank shares have been admitted to trading on the Prime Market of the Prague Stock Exchange in the Czech Republic.

b) Information on restrictions of the transferability of securities:

The transferability of the Bank shares is not restricted.

c) Information on significant direct and indirect shares in the Bank's voting rights:

Please, refer to Chapter 1 "Profile of MONETA Money Bank and Its Subsidiaries" section "Shareholder Structure" for information on (i) the entities recorded in the registry of book-entry shares maintained by the Czech Central Securities Depository in Prague as holding at least 1% of the registered share capital of the Bank as at 31 December 2024 and (ii) the entities, which notified the Bank and the Czech National Bank pursuant to Section 122 of the Capital Markets Act of holding a direct or indirect proportion of the Bank's voting rights of at least 1% as at 31 December 2024.

d) Information on owners of securities with special rights, including description of such rights:

No special rights are attached to any of the Bank shares.

e) Information on restrictions on voting rights:

The voting rights attached to the Bank shares are not restricted.

f) Information on agreements between shareholders that may restrict or limit the transferability of shares or voting rights:

The Bank is not aware of any agreements between its shareholders that might restrict or limit the transferability of its shares or voting rights.

g) Information on special rules for the election of and recalling of members of the Management Board and amendments to the Bank's Articles of Association:

Pursuant to the Bank's Articles of Association, members of the Management Board are elected and removed by the Supervisory Board by a simple majority of the votes of the Supervisory Board members present at a meeting.

The Articles of Association may be amended by a decision of the General Meeting by a qualified, two-third majority of the votes cast by the shareholders at the General Meeting.

Apart from regulatory prudential requirements, no special rules are in place for the election of and recalling of members of the Management Board and for adoption of the amendments to the Bank's Articles of Association.

h) Information on special powers of the Bank's Management Board:

The Bank's Management Board has no such special powers.

9 Other assurance services which are allowed to be provided by statutory auditor pursuant to the Act on Auditors, in particular Quarterly financial review, ESG reporting audit, Review of Remuneration report and issued bond comfort letter (CZK 5 million being part of amortised cost of the issued bonds).

10 Other non-audit services, which are allowed to be provided by statutory auditor pursuant to the Act on Auditors, in particular MiFID Reporting, Review of Internal control system requested by the CNB, proofread of the Annual Financial Report and training.

11 Other Reserves represent reserve related to Cash Flow hedge revaluation.

i) Information on significant contracts relating to change in control over the Bank as a result of a takeover bid:

The Bank has not entered into significant contracts that will become effective, change, or expire if control over the Bank changes as a result of a takeover bid.

j) Information on contracts with members of its Management Board or its employees binding the Bank in relation to a takeover bid:

Based on their service contracts, members of the Management Board are entitled to receive a monthly payment for a period of 12 months or nine months after the end of their term (subject to specified conditions) in the amount of fixed monthly remuneration paid during the term of their office (hereinafter the "Salary Continuance"). In the event that their office is terminated within a period of one year after the event, which results in a change of control over the Bank, which may also occur in connection with a takeover bid, members of the Management Board may be entitled to an increased Salary Continuance. This entitlement arises if the acquirer of control over the Bank pays in connection with the acquisition of control a premium in excess of the average price of the Bank's shares (hereinafter the "Share Premium"). In the event of termination of the office due to non-renewal, dismissal or redundancy during the period, members of the Management Board are entitled to receive 12 or nine twelfths respectively, of the most recently awarded bonus under the Executive Variable Incentive Programme in a lump sum payment at the end of the salary continuance period.

The additional amount of Salary Continuance shall be determined on the basis of the share premium reflecting MONETA Money Bank's share value at the time of the Change of Control event and calculated as follows:

i. Establishing the begin price as the average daily close of the Bank's share price for the 20 trading days immediately preceding the public announcement of an intention to execute a Change of Control

ii. Establishing the end price as the average daily close of the Bank's share price for the 20 trading days immediately preceding the Change of Control, which brings the Share Premium expressed as a percentage of increase in the Bank's share price compared to the begin price, if any;

iii. Multiplier of eligible Salary Continuance amount (Base Salary) is linked to Share Premium as follows:

- Share premium 5–15% – multiplier 0.25,
- Share premium 15.1–20% – multiplier 0.5,
- Share premium 20.1–25% – multiplier 1.0,
- Share premium 25.1–30% – multiplier 1.25,
- Share premium > 30% – multiplier 2.0.

The aim of the above arrangement is to motivate members of the Management Board to ensure that the acquirer of the control pays the highest possible Share Premium in connection with the acquisition of control. This measure further strengthens the alignment of the motivation of the members of the Management Board with the interests of the Bank's shareholders.

According to their contracts on the performance of office, independent members of the Supervisory Board are eligible to receive a monthly payment during 12 or nine months after the termination of office in case the termination occurs within one year after the event, which results in a change of control in the amount of fixed remuneration paid during the term of the office.

k) Information on programmes that allow acquiring the Bank's corporate securities:

The Bank does not have in place any programmes allowing the acquisition of securities issued by the Bank.

4.17 REPORT ON RELATIONS

As the Bank did not have any controlling person in 2024, no report on relations according to the Business Corporations Act was prepared for the accounting period from 1 January 2024 to 31 December 2024.

4.18 RIGHTS ATTACHED TO SHARES OF THE BANK

The shares of the Bank are freely transferable, fully fungible and rank pari passu in all respects. Under the Business Corporations Act and the Bank's Articles of Association, each of the Bank's shareholders has, inter alia, the following rights:

1. A pre-emptive right to subscribe for a pro rata portion of the shares in the Bank if the registered share capital of the Bank is increased by cash contributions into the Bank unless that the pre-emptive right is restricted or excluded by a General Meeting resolution;
2. A pre-emptive right to subscribe for a pro rata portion of any preference or convertible bonds unless that the pre-emptive right is restricted or excluded by a General Meeting resolution;
3. A right to participate in the Bank's profit and liquidation balance to the extent approved at a

General Meeting;
4. A right to attend and vote at a General Meeting;
5. A right to receive information on matters related to the Bank or its subsidiaries from the Bank at a General Meeting if such information is necessary to assess items on the agenda of the General Meeting or to exercise shareholder rights (and in particular, voting rights);
6. A right to make proposals and counterproposals in relation to items on the agenda of a General Meeting;
7. Within three months following the date of the relevant General Meeting, a right to challenge the validity of resolutions of the General Meeting in a court action against the Bank; and
8. A right to request a copy of the General Meeting minutes from the Management Board.

Branch

This year, we invested CZK 84.4 million in the renovation of our branches. We believe that now our branches will be more comfortable not only for our clients but also for our employees.



We are MONETA

5. RISK MANAGEMENT

5.1 RISK GOVERNANCE

5.1.1 Main Principles and Goals of Risk Management

The Group aims to achieve competitive returns at an acceptable risk level as part of its business activities. Risk management covers the control of risks associated with all business activities in the environment in which the Group operates, and ensures that the risks taken are in compliance with regulatory limits, as well as falling within its risk appetite.

When managing risks, the Group relies on three pillars:

- People (the qualifications and experience of its employees);
- Risk governance (including well-defined information flows, processes, models and responsibilities); and
- Risk data (including the use of sophisticated analytical instruments and technologies).

This combination has supported the Group's success and the stability of its economic results.

The Group's risk management processes are underpinned by advanced analytics, based on an enterprise-wide data warehouse and a centralised underwriting process. This allows the Group to price on a risk basis, according to its in-house scoring and rating models.

The level of risk is measured in terms of its impact on the value of assets and/or capital, as well as on the profitability of the Group. To determine this, the Group evaluates the potential effects on its business of changes in political, economic, market and operational conditions, as well as changes in client creditworthiness.

The Bank provides centralised risk management for the Group wherever possible and practical. It does so primarily through outsourcing or by providing methodology guidance to other Group members.

This chapter describes the main principles and rules of credit, market and liquidity risk management within MONETA. More information on MONETA's approach to risk management is available in section 44 "Risk Management" of the Notes to the Consolidated Financial Statements of MONETA Money Bank, a.s.

5.1.2 Risk Management Organisational Structure

The Bank's key committees for risk management of the Group, as established by the Bank's Management Board, are:

- Enterprise Risk Management Committee ("ERMC"), for the risk management framework, internal capital adequacy assessment process, and model risk management;
- Operational Risk Committee ("ORCO"), for the internal control system and operational risk management;
- Credit Committee ("CRCO"), for credit risk management;
- Asset & Liability Committee ("ALCO"), for asset and liability management, capital, market risk and liquidity risk management; and
- Compliance & Anti-Fraud Committee, for compliance, operational managing of internal controls, anti-fraud management, prevention of anti-money laundering, and combating the financing of terrorism.

The members of these committees include the members of the Bank's Management Board and other senior managers of the Bank. The committees are responsible for, inter alia:

- Approval of the relevant risk management framework, including the basic methods, limits, scenario assumptions and any other parameters used in the risk management process;
- Monitoring the development of relevant risks, including the observance of limits, approval of remedial measures in case of exceeded limits or unfavourable development trends; and
- Monitoring the adequacy, reliability and efficiency of internal policies, processes and limits for risk management in the area of their responsibility.

Other Bank committees that are established by the Bank's Chief Risk Officer ("CRO") and that manage individual risks include the following:

- Credit Monitoring and Management Committee ("CMMC"), monitors and manages the credit risk of the commercial individually managed credit portfolio not in the work-out process. Members of the committee are employees of the Risk Management Division and the Commercial Banking Division. The CMMC reports to the CRCO;

- Problem Loan Committee ("PLC"), monitors and manages the credit risk of the commercial individually managed credit portfolio in the work-out process, and its members are employees of the Risk Management Division and the Legal Department. The PLC reports to the CRCO;
- Cyber Security Committee ("CSC"), manages cyber security. Members of the committee are executive employees and senior managers of the Risk Management Division, Information Technologies Division, Compliance Department and Chief Operating Officer. The CSC reports to the ERMC;
- Third-Party Products Council ("TPPC"), manages the introduction of new investment, insurance and pension products of third parties for clients of the Group's companies. Its members are executive employees and managers of the Risk Management Division, Retail Banking Division and Compliance Department;
- Model Risk Oversight Committee ("MROC"), monitors the model risk. Its members are employees of the Risk Management Division and the Finance Division. The MROC reports to the ERMC;
- Key Vendors Management Committee ("KVMC"), oversees key vendor management. Its members are executive employees and senior managers of the Risk Management Division, Finance Division and Shared Services Division and Chief Executive Officers of the Bank and Building Savings Bank. The KVMC reports to the ORCO.

The Bank's Risk Management Division is responsible for risk management on an individual and a consolidated basis. The Risk Management Division is headed by the CRO, who is also a member of the Bank's Management Board. The Risk Management Division primarily:

- Monitors, measures[1] and reports credit, market, model, operational and liquidity risks and proposes remedial measures in case of limits being exceeded or unfavourable trends;
- Sets terms and conditions for granting loans and lines of credit, including their subsequent approval;
- Assesses the adequacy of collateral given by borrowers to the Group as security for extending loans and lines of credit;
- Manages the loan portfolio;
- Executes controls in the area of credit deals;
- Ensures methodology support and control functions in the area of information security and digital operational resilience;
- Participates in the development of the data infrastructure and analytical systems supporting risk management;
- Ensures the model risk management;
- Maintains and develops models for credit risk management, collections, provisioning, management of operational risks and capital allocation;
- Monitors indicators of fraudulent operations in the credit portfolio and is involved in the prevention of credit frauds;
- Collects amounts due from borrowers;
- Implements and applies appropriate strategies and procedures of internal controls in the area of AML/CFT;
- Ensures the investigation of external frauds, proposes measures for their prevention; and
- Ensures the setting up of AML/CFT processes and processes for the investigation and prevention of fraud in accordance with regulatory requirements.

The particular departments of the Risk Management Division are responsible mainly for the following:

- Commercial Risk department: commercial credit risk for individually managed exposures (products' conditions, underwriting, monitoring, reporting);
- Retail & Small Business Risk department: credit risk for portfolio-managed exposures (products' conditions, underwriting, monitoring, reporting);
- Collections department: preparation of NPL Management Strategy, overall collections process and overall collections reporting;
- AML & Collateral Management department: prevention, detection, reporting and strategy in the area of AML/CFT, collateral management (methodology, valuation), administrative and data support of early warning system in the area of credit risk of individually managed commercial exposures, credit risk quality assurance and controls;
- Risk Models & Fraud Management department: provisioning methodology and provisioning model development, provisioning in the planning process (including stress testing of credit losses), credit risk models development and prevention, detection, reporting and strategy in the area of fraud management and investigation of external frauds;
- Enterprise Risk Management ("ERM") department: market, liquidity, and operational risk methodology and internal policies, measuring, monitoring and reporting, regulatory and internal capital requirement methodology and calculation, model governance, and model validation;
- Cyber Security department: governance, methodology, monitoring, management and reporting of cyber risks; investigation of emerging threats and security trends.

The teams ensuring activities related to the prevention of money laundering and countering the financing of terrorism (AML/CFT) are under the management of a member of the management body of the relevant Group company authorised with ensuring compliance

1 Credit risk is measured in cooperation with Finance Division of the Bank.

with obligations stipulated by the AML/CFT Act. In both the Bank and Building Savings Bank, the authorised person is the respective Chief Risk Officer. From 1 October 2024, the investigation of internal fraud was transferred to a department reporting to the Chief Executive Officer.

The Group's business activities involve providing deposit accounts, loans and lines of credit to retail customers, providing funding to entrepreneurs and SME businesses, and the distribution of third-party products, such as mutual funds and insurance, in the Czech Republic. The Group takes steps to avoid risks that are not associated with its main lines of business and minimise all other risks. The principal objectives in the management of risks and tolerance of individual types of risks are defined in the Risk Appetite Statement document approved by the Bank's Management Board.

5.2 CREDIT RISK

Credit risk is the risk of loss for a party resulting from the failure of a counterparty to meet its obligations arising from the terms and conditions of the contract under which the party became a creditor to the counterparty. The Group is exposed to credit risk in particular in case of credits granted, non-approved debits, guarantees provided, letters of credit issued, bonds purchased, derivatives and interbank deals.

5.2.1 Credit Risk Management

Credit risk management is organised along the following approval processes:

Individually managed exposures represent exposures to entrepreneurs and SMEs where loans and lines of credit are approved based on an individual assessment of the borrower's creditworthiness in connection with the loan size.

Portfolio managed exposures include exposures to natural persons, natural persons acting as entrepreneurs, and SMEs where loans and lines of credit are approved using an automated credit scoring process. Mortgages, bridging loans and building savings loans have a specific position, as these form a part of retail exposures (usually portfolio managed) but a number of the processes and methods used fall within the category of individually managed exposures.

Exposures to counterparties in the financial markets include exposures to financial institutions and governments. These exposures primarily arise as part of liquidity management and market risk management. Transactions in the financial markets are performed only by the Bank and Building Savings Bank; other entities in the Group only have receivables to banks in respect of current account balances. The credit risk of these exposures is managed through limits to countries and counterparties that are approved due, mainly, to external ratings.

5.2.2 Individually Managed Exposures

The Group manages the credit risk of individually managed exposures mainly by setting processes, approval authorities, and the use of systems and models for underwriting, portfolio management, monitoring (including early warning system), reporting and collection. Internal statistical and expert judgement-based models used for underwriting estimate the probability of default of a borrower, taking into account financial, behavioural, qualitative and ESG indicators in relation to the type of product and the size of the borrower. Underwriting, portfolio monitoring and collection are usually executed individually. Underwriting of the MONETA Auto and MONETA Leasing exposures is centralized in the Bank.

5.2.3 Portfolio Managed Exposures

The Group manages the credit risk of portfolio managed exposures mainly by setting processes, approval authorities, and the use of systems and models for underwriting, portfolio management, monitoring, reporting and collection. Internal statistical scoring models used for underwriting classify individual borrowers into categories of homogeneous exposures using socio-demographic and behavioural data as well as information from the credit bureau. Automated underwriting is complemented by individual underwriting where the client does not meet the criteria for automatic approval. The approval strategy for MONETA Auto exposures is set by the Bank. Monitoring is taken on a portfolio basis, while collection combines the use of a portfolio and individual approach according to the recovery phase and the existence of collateral.

5.2.4 Counterparties in the Financial Market

The Group manages the credit risk of counterparties in the financial markets mainly by setting processes, approval authorities, and the use of systems and models for underwriting, monitoring and reporting. The main tool for measuring the credit risk of countries and counterparties is the rating set by international rating agencies. The Bank decides on maximum limits to countries and counterparties and their allocation among the Group's entities. Underwriting and monitoring takes place individually.

5.2.5 Categorisation of Exposures

The Bank has assigned exposures to individual categories in compliance with CNB Decree No. 163/2014 Coll., as amended. The categorisation is used mainly for regulatory reporting and the calculation of loan loss allowances. The categorisation is as follows:

- Exposures without borrower default are classified as performing;
- Exposures where the borrower has defaulted are classified as non-performing.

5.2.6 Collateral

The Group determines the nature and extent of collateral that is required either by individually assessing a prospective borrower's creditworthiness or as an integral part of the given credit product. The Group sets up types of collateral acceptable for mitigating the credit risk on a loan or line of credit, ways to determine the realisable value of collateral, and collateral management processes.

5.2.7 Allowances Calculation

Allowances for credit losses are determined using an expected credit loss approach as required under IFRS 9.

The measurement of expected credit losses and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

To calculate allowances, the portfolio is divided into four segments including three Stages and Purchased or originated as credit impaired ("POCI"). POCI includes exposures of Acquired entities which were non-performing at the time of Acquisition, as well as exposures originated as credit impaired. These represent modified financial assets where material concessions were granted to obligors in default. Exposures which do not qualify for POCI are assigned to Stage 1, Stage 2 or Stage 3. Non-performing exposures belong to Stage 3. Performing exposures are assigned into Stage 2 when a significant increase in credit risk ("SICR") after their origination occurs. Exposures that are not assigned into Stage 3 or 2 belong to Stage 1.

The Group estimates 12 months expected credit loss ("ECL") for Stage 1 exposures and lifetime expected credit loss for Stage 2, Stage 3 and POCI. The Group also uses multiple macro-economic forecasts for estimation of future losses; thus the future expected development of macro-economic variables is reflected in risk parameters.

The calculation of allowances is based on statistical models. These models are used to calculate the probability of default ("PD"), loss given default ("LGD"), exposure at default ("EAD") and the cure rate. In situations where the statistical models used for calculation of allowances do not sufficiently capture the forward-looking risks in ECL level, management overlays are applied.

5.2.8 Credit Concentration Risk

As part of managing credit risk, the Bank regularly monitors and actively manages the credit concentration risk of the Group through limits to countries, counterparties, collateral providers, economic sectors and top 10 commercial exposures (groups of customers). Regional concentration is not relevant as most income is generated within the territory of the Czech Republic.

The top 10 commercial exposures (groups of customers) represented 13.9% of commercial receivables (exposure includes gross loans and receivables, unused commitments including credit lines and guarantees) as at 31 December 2024.

The top three sector exposures and their share in the Group's commercial portfolio as at 31 December 2024 were agriculture (24.8%), real estate activities (20.3%) and services (18.3%).

The main collateral providers, via guarantees, were Národní rozvojová banka, a.s. (National Development Bank), the European Investment Fund, and Exportní garanční a pojišťovací společnost, a.s. (Export Guarantee and Insurance Corporation).

5.2.9 Credit Portfolio and Its Quality

5.2.9.1 Non-performing Loans and Receivables to Customers[2]

	31 December 2024			31 December 2023		
(in CZK m)	Retail	Commercial	Total	Retail	Commercial	Total
Non-performing Receivables	2,415	1,153	3,568	2,808	1,040	3,849
Allowances to NPL Receivables	976	434	1,411	1,307	535	1,843
NPL Ratio	1.3%	1.2%	1.3%	1.5%	1.2%	1.4%
Total NPL Coverage	110.8%	119.5%	113.6%	110.3%	152.2%	121.6%
Core NPL Coverage	40.4%	37.7%	39.5%	46.6%	51.5%	47.9%

Figures in the table may not add up to the total due to rounding differences.

The NPL Ratio decreased to 1.3% as at 31 December 2024 (compared to 1.4% as at 31 December 2023) thanks to sales of non-performing loans and the continuous good repayment discipline of MONETA's clients. At the same time, the Group maintained a conservative Total NPL Coverage of 113.6% on the total loan portfolio (121.6% as at 31 December 2023).

5.2.10 Modified Financial Assets

Modification in the form of forbearance is reflected in the categorisation of receivables in accordance with the exposures categorisation rules (5.2.5).

5.2.10.1 Forborne Receivables

Forborne receivables are receivables for which the Group provided the debtor with relief as it assessed that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the debtor's financial position, the Group granted it relief that the Group would not otherwise have granted. Reliefs primarily include reworking the repayment plan, a decrease in the interest rate, a waiver of default interest, a deferral of principal or accrued interest repayments. Forborne receivables do not include receivables arising from the roll-over of a short-term loan for current assets if the debtor met all of its payment and non-payment obligations arising from the loan contract.

5.2.11 Environmental, Social and Governance (ESG) Risk Management

ESG risk is the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of ESG factors on the Group's counterparties or invested assets.

Environmental risk is the risk of damage to the reputation or financial situation of the Group (including the ability to utilise collateral or sell ownership stakes) or client (including adverse impact on the client's assets or the client's ability to continue its business activities) due to the adverse impact of client's business activities on the environment and vice-versa.

Climate-related and environmental risks include both physical risk and transition risk.

Physical risk is the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of the physical effects of environmental factors on the Group's counterparties or invested assets.

Transition risk is the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of the transition to an environmentally sustainable economy on the Group's counterparties or invested assets.

Social risk is the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of social factors on the Group's counterparties or invested assets.

Governance risk is the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of governance factors on the Group's counterparties or invested assets.

Within credit risk management, the Group assesses environmental risk both for clients and their businesses and for collateral. Environmental risk is assessed at a transaction level for individually managed exposures and a product conditions level for portfolio-managed exposures. The CRCO sets up principles for environmental risk management, including restrictions for economic sectors, activities and collateral. The

2 Data on non-performing loans and receivables to customers include gross loan portfolio balance at Stage 3 and non-performing gross loan portfolio balance at Stage POCI per IFRS 9.

Group assesses the overall ESG risks of selected commercial borrowers within the internal rating model (see Note 44.2.1 Credit Risk Management of Notes to Consolidated Financial Statements of MONETA Money Bank, a.s.).

In addition, the Group adopted an ESG Strategy summarising the main principles and the Group's approach to ESG and sustainability and setting objectives that are to be achieved in the following years.

5.3 CONCENTRATION RISK

Concentration risk is defined as the risk arising from the concentration of exposures with respect to a person, an economically related group of persons, sector, region, activity or commodity. The Group manages the concentration risk within individual risks, primarily the credit risk and liquidity risk. Activity and commodity concentrations are not relevant for the Group.

5.4 MARKET AND LIQUIDITY RISK

Market risk is the risk of loss arising from changes in prices, rates and indices in the financial markets. Due to its activities, the Group is exposed mainly to interest rate risk and foreign exchange risk.

5.4.1 Interest Rate Risk

Interest rate risk is the risk of loss arising from changes in interest rates in the financial markets. The Group is exposed to interest rate risk as interest-bearing assets and liabilities have different maturity periods or interest rate repricing periods.

The Bank strives to minimise the Group's interest rate risk by setting limits and keeping positions within these limits. The interest rate risk management activities are aimed at reducing the risk of losses. The Group's interest rate risk management is centralised in the Bank.

Only certain client products (FX swap, FX forward, FX spot) of the Bank are included in the Trading book, all other positions of the Group are included in the Banking book.

5.4.2 Foreign Exchange Risk

Foreign exchange risk covers the risk of loss due to changes in exchange rates. The Group is exposed to the foreign exchange risk primarily due to the foreign exchange loan products to commercial borrowers, issuance of bonds denominated in foreign currencies and foreign exchange deposits.

The management of the Group's foreign exchange risk is centralised in the Bank. The Bank strives to minimise the foreign exchange risk of the Group. For this purpose, the Bank maintains a balance of assets and liabilities in foreign currencies (by using a mix of FX spot, forward and swap transactions).

5.4.3 Liquidity Risk

Liquidity risk represents the risk of an inability to meet financial liabilities when due or to finance increases in assets.

The liquidity risk of subsidiaries is managed by the Bank, providing funding if needed. For liquidity and liquidity risk management, the banks in the Group (in 2024 the Bank and the Building Savings Bank) created a liquidity sub-group. As the banks in a liquidity sub-group were provided an exemption from certain liquidity requirements on individual levels by the CNB in 2020, and so since 2021 the Czech National Bank has supervised the Bank and Building Savings Bank as a liquidity sub-group for liquidity purposes.

5.5 OPERATIONAL RISK

Operational risk represents the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events, including the risk of loss due to a breach of, or failure to comply with, legal or regulatory requirements, or a threat to the Group's reputation. It also includes legal and outsourcing risks.

The Group implemented standardised tools and processes for operational risk management, including Risk & Control Self-Assessment ("RCSA"), Loss Data Collection ("LDC") of actual internal operational risk losses, monitoring of external risk events, Key Risk Indicators, scenario analyses and Issue management that is used to record, monitor and report identified risks and issues. The Issue management system is also used for monitoring the relevant action plans, if applicable, and is closely linked to the RCSA process.

To mitigate operational risk, the Group produces and maintains business continuity plans for the recovery of critical situations and operations with the aim of ensuring business activities at a back-up workplace and IT disaster-recovery plans for key IT applications.

The Group also uses the following methods for mitigation of operational risk:

- Decrease of risk by means of process improvements, organisation changes, introduction of limits, Key Risk Indicators or controls, or use of technologies;
- Transfer of risk via outsourcing;
- Decrease of risk impact via insurance (mainly for

high severity and low frequency operational risk events); and
- Avoidance of risk by terminating risk-inducing activities.

The Bank's Management Board specifically approves the operational risk governance structure and framework, the Group's objectives for operational risk management, and decides whether to accept major risks if there are no feasible remedial measures.

The ORCO oversees the Group's operational risk management process and approves methods, limits and Key Risk Indicators, monitors adherence to approved limits and Key Risk Indicators and approves principal changes in the insurance programme.

The ERM department especially develops and maintains the operational risk methodology for RCSA, LDC, Key Risk Indicators, outsourcing and insurance, provides measurement of operational risk using the LDC process and Key Risk Indicators and reporting to the ORCO.

Individual organisational units across the Bank have operational risk co-ordinators who co-operate with the ERM department in RCSA and issue management processes. Whenever it is effective, the collection of certain loss events within the LDC process is centralised in selected organisation units.

Other important parts of operational risk (compliance, cyber security, business continuity and legal risk) are managed by other organisational units as described below.

5.5.1 Compliance Risk

Compliance risk represents the risk of legal or regulatory sanctions, material financial loss or loss of reputation as a result of failure to comply with laws and regulations, and the relevant self-regulatory organisations' standards and codes of conduct.

The Bank's Compliance Department is an independent control function responsible for monitoring compliance with laws, regulations and internal policies. It oversees the implementation of applicable laws and regulations and provides compliance training to the Group's employees. The Compliance Department is managed by the Director Compliance, who functionally reports to the Bank's Management Board and organisationally reports directly to the Chief Executive Officer of the Bank.

The Group manages compliance risk by requiring business activities to adhere to the various compliance policies which it has established and by monitoring compliance with these standards. The Group also has an Issue management system in place to monitor and resolve any compliance issues as they arise.

The key areas of responsibility of the Compliance Department include:

- Compliance Advisory: Advisory services on regulatory compliance, particularly in the areas of i) product regulation (banking products, investments, and insurance), ii) data protection regulation, iii) AML, ESG, and capital markets regulation, and iv) prudential regulation;
- Second-level controls related to compliance with legal and internal regulations (compliance controls): Conduct regular and ad hoc compliance monitoring and testing within the Group, including ensuring the remediation of identified issues and their validation;
- Coordination of communication with regulators: the Compliance Department acts as the main point of contact for the Group in its communication with local and international regulators and supervisory authorities (e.g., the CNB, Financial Arbitrator, Office for Personal Data Protection, National Cyber and Information Security Agency, Financial Analytical Office, or the EBA). It ensures the recording of all incoming communication, its distribution to relevant employees, and oversees timely responses to regulatory requests, including the management and monitoring of remediation actions stemming from off-site and on-site regulatory inspections;
- Handling client complaints: the Compliance Department ensures the ombudsman function for clients, working with relevant departments of the Bank to resolve serious client complaints;
- Identification and management of compliance risks: Regular assessment and management of compliance risks within the Group, including addressing legislative and regulatory changes that significantly impact the Group's operations. A key element of this process is the timely implementation of changes and their validation;
- Data protection and incident management: Ensuring compliance with legal regulations and internal rules related to data protection and banking secrecy, including setting up and approving processes related to the processing and use of personal data, as well as reporting any eventual incidents in this area;
- Management of internal policies: the Compliance Department is responsible for managing and updating the Group's internal regulatory base, including an electronic application for commenting on, approving, and publishing internal policies. Additionally, the Compliance Department plays a crucial role in ensuring the consistency of the Group's internal policies with applicable legal and regulatory requirements and with other internal policies;
- Employee training: Organising regular compliance training for employees, senior managers, and members of statutory bodies, focusing on, among other topics, current legal and regulatory

requirements, data protection, and the prevention of unethical behaviour;
- Anti-corruption programme, prevention of improper payments, and conflict of interest: Ensuring the prevention of improper payments, reporting of contacts with competitors and regulators, and the prevention and management of conflicts of interest;
- Whistleblowing: Operating an independent and confidential reporting channel to protect whistleblowers who report potentially illegal or unethical behaviour (Employee Ombudsman).

During the reporting period, the Compliance Department successfully coordinated the implementation of action plans resulting from inspections conducted by the CNB in 2023. These inspections focused on the management of operational risks, risks related to information systems and technologies, and the provision of foreign currency loans. Details regarding these inspections are included in the 2023 Annual Financial Report. The action plans were successfully completed within the set deadlines.

In 2024, the Compliance Department also coordinated two newly initiated CNB inspections

1. In February 2024, the CNB launched a market-wide investigation focusing on funding and liquidity risk management. At the CNB's request, the Bank provided extensive documentation, which was subsequently analysed by the regulator. In September 2024, two working meetings were held to clarify certain detailed aspects of liquidity management. The Bank does not anticipate any findings of significant deficiencies or the need to create an action plan for their resolution. This investigation is expected to serve as the basis for the issuance of a supervisory benchmark by the CNB.
2. On 1 October 2024, the CNB initiated an inspection focusing on processes related to the circulation of banknotes and coins, including the notification of a mystery shopping exercise. The Bank provided all requested documentation to the CNB and actively cooperated during the inspection. During the course of the inspection, the Bank addressed a minor finding related to verifying the required certification levels for newly hired cashiers. On 17 December 2024 the Bank received the inspection report from the CNB confirming the absence of significant or unexpected deficiencies in its processes. The Bank accepted the report without objections.

During the reporting period, no administrative proceedings were initiated against the bank. However, the bank was fined by the Office for Personal Data Protection (ÚOOÚ).

The fine, amounting to CZK 50,000, was imposed for violations of Act No. 110/2019 Coll., on the Processing of Personal Data, in relation to two clients. One issue involved a system error that failed to properly recognise the withdrawal of consent by certain customers regarding the receipt of marketing communications. This issue was identified and resolved by the Bank before the ÚOOÚ notification. The second issue concerned inaccurately defined rules for distinguishing between marketing and technical communications. These rules were revised to fully comply with regulatory requirements.

In the above cases and all similar situations, the Bank adopts a highly proactive approach in cooperating with regulators (especially the CNB as the primary supervisory authority) and acts with maximum transparency.

5.5.2 Cyber Security

The main objective of cyber security is to protect information assets by maintaining their confidentiality, integrity and availability as well as the authenticity of information stored in these assets. The Group understands the significance of well-designed and implemented organisational and technical cyber security measures and considers it a key priority. Cyber security is ensured and applied via a volume of security processes and tools covering all security areas ranging from overall external and internal perimeter protection, end-point protection, identity and access management, data loss prevention, vulnerability management, and bolstering user awareness through a security awareness development programme. The aim is to ensure the maximal level of cyber security risk coverage and protection of the Group's assets and information, including client data.

In 2024 the trends observed in previous years continued. The National Cyber and Information Security Agency of the Czech Republic (NÚKIB) reports phishing, scanning, and attacks on availability mainly in the form of DDoS attacks as being prevalent during the past year in the Czech Republic. Furthermore, the NÚKIB noticed a growing trend in the quality and sophistication of phishing attacks. DDoS attacks were the most frequent and most serious type of cyber security attack that the Group was exposed to during this period. However, thanks to a robust infrastructure and network filtering technologies, the Bank's operation and availability of digital channels experienced only minor interruptions. Amidst the most serious threats in future years, the NÚKIB and other sources that analyse cyber security threats, warn against supply chain attacks, DDoS attacks, social engineering and "hacktivism" as the most serious threats. There is also a worrying rise in the Cyber Crime-as-a-Service model. MONETA is aware of these threats and is implementing security measures to properly mitigate them. The Group is also monitoring the risks associated with the use

of emerging trends (such as AI technologies and quantum computing) by malicious actors, and is analysing possible security measures to be taken in cases of direct risk to the Group.

Throughout 2024 the Group continued conducting Red Teaming activity (i.e., simulated cyber-attacks) with the help of an external partner. The goal of this engagement was to identify potential weaknesses in the Bank's IT environment as well as physical access, and to test employee resilience to social engineering by realistically simulating an attack of a motivated and well-funded group, which would utilise any techniques available to achieve its goals. Key findings of this exercise have been incorporated into MONETA's Cyber Security Strategy and the underlying initiatives plan for the period of 2025–2026.

To further strengthen the security of applications and digital channels, the Bank launched a public bug bounty programme in June 2023 (see https://www.moneta.cz/bug-bounty). This allows ethical hackers and security researchers who find bugs and vulnerabilities in MONETA's environment to responsibly report them and, upon verification by the Cyber Security department, be rewarded. Thanks to its added value in ensuring cyber security, MONETA continued with the bug bounty programme throughout 2024 and plans to continue in the coming years.

5.5.2.1 Cyber Security Strategy

The Group has established a cyber security strategy, which is endorsed by the Management Board. The strategy is reviewed yearly in order to assure its validity, to perform adjustments to the objectives of the business and IT strategy, and to keep abreast of the overall situation in the banking sector and the latest cyber security industry trends. The latest update is valid from November 2024. The cyber security strategy of the Group is strongly based on the foundation of the following three pillars:

- Governance;
- Risk management;
- Compliance management.

Governance is a critical component of the strategy and the main defensive building block defining an overall cyber security approach. Concise and consistent rules and accountability define clear policies and procedures that must be followed. In order to broaden cyber security competencies, cyber security risks are continuously managed by repeatedly:

- Specifying security objectives;
- Executing regular and ad-hoc risk assessments (including internal and external audits) and controls;
- Continuous implementation of corrective measures;
- Monitoring and reviewing the performance of measures applied;
- Maintaining and improving the process.

The Cyber Security department is a part of the Risk Management Division and follows and achieves the defined strategy goals by:

- Ongoing communication of an accurate risk landscape to the top management;
- Periodical assessment reviews;
- Issuing security policies, guidelines and procedures;
- Providing guidance and assurance in implementing controls and measures;
- Monitoring adherence to controls via suitable tools;
- Investigating emerging threats and security trends;
- Acting as a second line of defence (the IT departments being the first);
- Cooperating with other second-level control departments/teams, internal/external audit and regulators;
- Effectively managing cyber security incidents;
- Increasing cyber security awareness within the Group.

5.5.2.2 Monitoring and Incident Management

To ensure the reliability, availability, and security of business services within an increasingly complex IT environment, the internal IT/network traffic is constantly monitored for anomalies with a special focus on assets in the scope of the Act on Cyber Security of the Czech Republic. Real-time analysis of generated security alerts and collected logs are provided by the Security Information and Event Management ("SIEM") system, whose operational capacities were significantly enhanced in 2021 in order to meet increased volumes of incoming security-related data and which is monitored by the 24x7 Security Operations Centre ("SOC"). Subsequently, in 2023, the capabilities of the system were further improved by the connection of additional log sources of selected applications. In 2024 further actions were taken to improve the capabilities of SIEM.

Alerts and incidents are investigated/resolved by the Cyber Security department and, when appropriate, are escalated to Incident managers. The Cyber Security department follows the incident end-to-end and makes sure that the incident is resolved and that appropriate "lessons learned" from the incident are identified and implemented.

5.5.2.3 Endpoint and Server Protection

Special attention in terms of coverage of cyber security-related risks is paid to the protection of endpoints and servers because they are often used as the main entry points into companies for all kinds of threat actors. The protection of such devices in MONETA

is secured by a full-scale EDR (Endpoint Detection and Response) solution. The advanced features of the solution are based on traditional signature scanning and on behavioural analyses and threat intelligence, to provide better protection against advanced threats like polymorphic viruses and ransomware.

5.5.2.4 Vulnerability Management and Penetration Testing

Vulnerability management and penetration testing have always been an integral part of resilience testing against cyber security threats. To remain up to date, the scope and methodology of vulnerability scanning and the tools used for this activity, are constantly updated and tuned as new threats and vulnerabilities emerge. In addition, regular and ad-hoc control vulnerability management activities provided by reliable, respected partners are conducted. Similarly, application penetration testing is based on cooperation with proven vendors and contemporary tools and is adjusted to recent technologies and development concepts. In addition, regular Red Teaming activities are performed to further improve MONETA's resiliency against threats.

5.5.2.5 Vendor Management

The Group diligently selects external resources via a structured and documented process of monitoring and performing assessments of vendors and external outsourcing providers. To minimise the risk and to evaluate their security status, the process incorporates multiple divisions and departments (mainly the Risk Management Division, Procurement Department, Legal Department, Compliance Department, etc.) to define the correct contractual requirements and agreements. Contracts between the Group and providers of IT-related services always include agreements focused on ensuring that entrusted data remain secure and protected and that the provided service is secure and resilient to threats. These requirements are also extended to other sub-processors or 3rd parties that receive entrusted data or that are needed to ensure the provision of the services. The performance of the Group's outsourcing providers is monitored continuously and reviewed at least once a year or in the case of significant change in the provided service. The Group seeks to leverage the benefits of cloud services that are highly secure, able to provide scalable innovative digital platforms within a secure environment, and that meet the requirements of the most security-sensitive organisations. In an effort to further utilise cloud services, part of MONETA's services was migrated to Amazon Web Services ("AWS"), and a network segmentation in line with these changes was implemented. With cloud services, MONETA co-operates very closely with the regulators (the CNB and NÚKIB) and cloud providers to make sure it remains within regulatory boundaries. The Group has taken an active approach to implementing DORA requirements in the management of ICT suppliers.

5.5.2.6 Data Protection and Data Privacy

Trust and confidentiality are essential in banking. The Group strives to achieve the maximum protection of data in its custody, especially client data. The Group follows and enforces the "need to know" principle (i.e., limited access to information based on the necessity to conduct work duties) and has established appropriate processes focused on privacy and information protection.

Data security is governed by the general information security policy, applicable across the whole Group, that is further elaborated into policies, procedures and guidelines applicable to all company processes. Data classification in custody is enforced. Mandatory encryption of both data "at rest" (data stored in a fixed location, e.g., files being stored on a hard drive or cloud) and data "in transit" (data being transferred between locations, e.g., by e-mail) are applicable to any data classified as Confidential or Restricted.

Special attention is dedicated to personal data and sensitive personal data. The Group is fully subject to the European Union's GDPR and therefore meets its strict requirements for securing, handling, and managing personal data. Third parties with whom the data is shared are assessed and evaluated during the vendor management process (see 5.5.2.4) and data privacy and non-disclosure agreements are concluded to achieve an adequate level of data protection.

Data stored on endpoints, especially from lost or stolen equipment, has always been an interesting target for attackers in attempts to gain access to valuable data. In order to meet compliance requirements and to prevent the theft of personally identifiable information or sensitive personal information, the Group leverages a powerful software component composed of several protection suites, which provide:

- Strong access control and data encryption;
- Certified encryption technology;
- Support for both company-issued and "bring your own" device environments.

To further enforce policies on compliance, privacy, and intellectual property protection, a market-leading data loss prevention ("DLP") solution is deployed company-wide. Access to the DLP tool is logged and strictly limited to authorised personnel from the Cyber Security department and authorised personnel from the Fraud Investigation department. The DLP solution protects the Group's assets against unauthorised use of valuable company data by internal users via numerous

means, including hardware and content-based filtering and the blocking of confidential data on any removable storage device (e.g., USB devices). Any suspicious activity related to possible data leakage is thoroughly investigated, and if proven correct, defined action steps are taken in close cooperation with the Compliance Department, including notification of data subjects, stakeholders and regulators.

5.5.2.7 Training and Awareness

Bearing in mind that people are the weakest link in cyber security defence, the Group has developed thorough training programmes to raise awareness and help employees as well as clients navigate, survive and thrive in the digital environment, make informed decisions, and successfully recognise and deal with various types of possible threats.

The cyber security awareness programme in MONETA consists of several parts, including articles distributed via intranet and e-mail, quarterly e-learning courses, and the utilisation of digital signage in headquarters and branches. Additionally, all newly hired employees must complete a special introductory course in the area of information security. A strong organisational culture and morale, supported by a strong cyber security education programme, combined with teamwork, collaboration, and loyalty, create an incredibly powerful security measure. The Group also pays special attention to October, international Cyber Security month, during which the Bank publishes for employees weekly educational articles that explain the current most common cyber security risks and how to avoid them both in their professional and private lives.

The Group also utilises a special cyber security awareness platform that via phishing simulation campaigns helps to keep users aware of the dangers of phishing, and which statistically evaluates the results and risk score based on numerous criteria. Employees who are deemed at risk of being victims of phishing attacks receive additional training focused on phishing and how to properly defend themselves against it.

Furthermore, using analysis of the data that is available from various cyber security activities and analysed risks, the Group is able to adjust its security awareness programmes and overall level of security measures.

5.5.2.8 Cyber Threat Intelligence

To further enhance MONETA's cyber security and risk management capabilities and to improve reaction to cyber security events, MONETA partnered with a cyber threat intelligence vendor. Cyber threat intelligence allows the Group to prevent, mitigate or react to cyber security risks quickly, sometimes before they occur or during their very early stages. This enables MONETA to defend its assets and the assets of its customers (e.g., Internet Banka credentials, bank cards, etc.) more proactively by maintaining up-to-date information on a vast number of threats, including methods, vulnerabilities, targets and malicious actors.

This partnership has enabled MONETA to monitor open and closed sources on the internet and to be alert to direct threats to the Group and its clients. Since 2020 the Group has been able to search for compromised or stolen client information being sold by cybercriminals on dark web marketplaces. Information was obtained on stolen internet banking credentials and details of payment cards which the attackers obtained from a vulnerable third party or with malware present on client devices (PCs, smartphones). Thanks to this monitoring, the Group was able to warn affected clients, provide recommendations and prevent possible fraudulent activity.

5.5.3 Business Continuity

The main goal of business continuity management is to ensure the lowest possible impact on the Group's business in the case of an extraordinary situation with regard to employee security or health, while maintaining duties prescribed by legal and regulatory requirements.

The regular business continuity management process includes Risk Assessment – decisions about critical and non-critical processes, Business Impact Analysis and Business Continuity Plans for critical processes, training and tests. The Group has developed Business Continuity Plans for all critical processes. The Group regularly tests Business Continuity Plans and reviews and assesses their adequacy.

During the past five years, the Group, including Building Savings Bank, has experienced no material interruption in its business operations.

5.5.4 Legal Risk

Dealing with legal risk and managing it means minimising uncertainty associated with enforcement and interpretation of applicable laws, contracts and regulations. In addition to standard legal functions in the various areas such as contract, banking and corporate law, the main tasks of the Group's lawyers during 2024 consisted of keeping both the retail and commercial contractual documentation aligned with both the business strategy and various needs of the business departments of the Group, as well as new regulations. The Group continuously monitors legal disputes, and provision is created for the estimated amount of payment if it is more probable than not that a cash outflow will have to be made.

5.5.5 Legal Disputes

The Group is not party to any significant legal disputes.

5.6 MODEL RISK

Model risk refers to the possibility of adverse consequences or other negative impacts emerging from decisions based on the results of a flawed model or the incorrect use of model outputs and/or reports (linked to errors in the development, implementation or use of the models).

The Group manages model risk mainly by actively managing individual phases of the model life cycle, among others by imposing requirements and standards on:

- Model Tiering;
- Model development documentation;
- Model validation;
- Model approvals;
- Model performance monitoring.

Model Tier reflects the influence, complexity and other aspects of models and triggers mainly the depth of model documentation, validation, and approval requirements.

The ERMC is responsible for the general set-up of the model risk management process in the Group, with the Model Risk Oversight Committee monitoring compliance and model performance on a regular basis and reporting regularly to the ERMC. The ERMC authorities notably cover approval of the Tier framework and approval of model use.

5.7 RISK OF EXCESSIVE LEVERAGE

The risk of excessive leverage is the risk resulting from vulnerability due to leverage or contingent leverage that may require unintended corrective measures to a business plan, including the distressed sale of assets which might result in losses or valuation adjustments to remaining assets.

The Group manages the risk by setting limits on regulatory leverage and keeping regulatory leverage within these limits. Limits are set by the Bank and Building Savings Bank on an individual level and by the Bank on a consolidated level. Leverage at a consolidated level was 5.1% as at 31 December 2024 (5.7% as at 31 December 2023). CRR 2 introduced a binding leverage ratio requirement of 3% from June 2021.

Supervisory Board MONETA Money Bank



Klára Escobar
Employee
Representative

Clare Ronald Clarke
Member
of the Supervisory Board

Denis Arthur Hall
Member
of the Supervisory Board

Miroslav Singer
Vice-Chairman
of the Supervisory Board

Kateřina Jirásková
Member
of the Supervisory Board

Linda Kavanová
Employee
Representative

Gabriel Eichler
Chairman
of the Supervisory Board

Zuzana Prokopcová
Member
of the Supervisory Board

Monika Kalivodová
Employee
Representative

6. OPINION OF THE SUPERVISORY BOARD

Throughout 2024 the Supervisory Board fulfilled all its duties stipulated by law, the Articles of Association and internal policies, and also maintained its supervision over the exercise of powers by the Management Board. It reviewed the accounts and other financial documents, ascertained the effectiveness of the management and control system, and made regular assessments.

Having reviewed the consolidated and separate financial statements for the year 2024, the Supervisory Board reports that the accounting records and financial documents have been kept in a transparent manner and in accordance with the laws and regulations governing the conduct and accounting of banks. The financial statements prepared on the basis of these accounting records present a true and fair view of the accounting and financial position of MONETA Money Bank, a.s. and the Group as a whole.

For the year 2024, MONETA Money Bank, a.s. reported a net profit of CZK 5,807,662,881.21 according to the consolidated financial statements and a net profit of CZK 6,390,863,561.51 according to the separate financial statements. The Supervisory Board recommends that the General Meeting approve the consolidated and separate financial statements.

The Supervisory Board further reviewed the proposal of the Management Board and recommends to the General Meeting to approve the distribution of net profit for the financial year 2024 according to the separate financial statements of MONETA Money Bank, a.s. for the year 2024 in the total amount of CZK 6,390,863,561.51 as follows:

(i) to be distributed to shareholders of the Bank as dividend: CZK 5,110,000,000.00
(ii) to be transferred to the account of retained earnings: CZK 1,280,863,561.51

The amount of profit to be distributed to shareholders as a dividend is CZK 10 per share.

In Prague on 18 March 2025

On behalf of the Supervisory Board:



Gabriel Eichler
Chairman of the Supervisory Board
MONETA Money Bank, a.s.

Management Board MONETA Money Bank



Andrew John Gerber
Member of the Management Board and Chief Retail Banking Officer

Carl Normann Vökt
Vice-Chairman of the Management Board and Chief Risk Officer

Jan Novotný
Member of the Management Board and Chief Commercial Banking Officer

Jan Friček
Member of the Management Board and Chief Financial Officer

Klára Starková
Member of the Management Board and Chief Operating Officer

Tomáš Spurný
Chairman of the Management Board and Chief Executive Officer

7. MANAGEMENT AFFIDAVIT

To the best of our knowledge, we believe that both the consolidated and individual financial statements, which are part of this Annual Financial Report and were compiled in accordance with applicable accounting standards, provide a true and fair view of the Bank and Group's assets, liabilities, financial position, business activities, and results in the year 2024.

Additionally, this Annual Financial Report, compiled pursuant to laws regulating accounting, offers a fair overview of the development, performance, and position of the Bank and Group in 2024, along with a description of the main risks and uncertainties they face.

The Consolidated Sustainability Statement included in this Annual Financial Report has been prepared in accordance with the Sustainability Reporting Standards adopted by the European Commission and the requirements of Article 8(4) of the Taxonomy Regulation.

In Prague on 17 March 2025



Tomáš Spurný
Chairman of the Management Board and CEO
MONETA Money Bank, a.s.



Jan Friček
Member of the Management Board and CFO
MONETA Money Bank, a.s.

We are MONETA



Macha Lake Open

We are proud partners of the international women‘s tennis tournament in Staré Splavy, which has a tradition of more than 20 years in the Czech Republic and which gives young tennis players the chance to fulfil their dreams, gain valuable experience and gain points for the world ranking.

8. FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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ID. No.:49620592
Tax ID. No.: CZ49620592

"THE REPORT BELOW REPRESENTS THE AUDITOR'S REPORT THAT RELATES SOLELY AND EXCLUSIVELY TO THE OFFICIAL ANNUAL FINANCIAL REPORT PREPARED IN THE XHTML FORMAT."

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
MONETA Money Bank a.s.

Having its registered office at: Vyskočilova 1442/1b, Michle, 140 00 Prague 4

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of MONETA Money Bank, a.s. and its subsidiaries (hereinafter also the "Group") and separate financial statements of MONETA Money Bank, a.s. (hereinafter also the "Company") prepared on the basis of IFRS Accounting Standards as adopted by the European Union.

The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information (the "Consolidated Financial Statements").

The separate financial statements comprise the separate statement of financial position as at 31 December 2024, separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information (the "Separate 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.
- The accompanying Separate Financial Statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

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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, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company 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 and Separate Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated and Separate Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter - Allowances for loans and receivables

As at 31 December 2024, Gross carrying amount of Loans to and receivables to customers (hereinafter "loans") amounted to CZK 279,435 million and CZK 263,612 million for the Group and the Company, respectively, against which Loss allowances for Loans and receivables to customers (hereinafter "allowances") of CZK 4,052 million and CZK 3,679 million, respectively, were recorded.

The allowances are determined using statistical models, with the exception of non-performing commercial operating and investment loans (Stage 3), for which allowances are determined on an individual basis using discounted cash flows.

The measurement of allowances for loans is deemed a key audit matter due to the level of judgment applied by the Management, especially with regard to identifying impaired receivables and quantifying loan impairment.

There is a persistent level of uncertainty and level of subjectiveness of management judgments relating to 2024 financial reporting due to the current persistent macroeconomic risks, as well as the impacts of the deteriorated geopolitical situation. The Group implemented a management overlay outside the framework of the model approach, with the aim of compensating for the insufficient level of sensitivity of the expected credit loss (ECL) model towards risks related to the high-interest rate environment.

The most significant judgments applied in determining allowances are:

- Assumptions used in the ECL statistical models such as the probability of default, recovery rates and macroeconomic factors reflected in forward-looking information, and assumptions used for management overlays;
- Timely identification of exposures with a significant increase in credit risk (Stage 2) and credit-impaired exposures (Stage 3) in the context of the observed macroeconomic risks and the impacts of the deteriorated geopolitical situation; and
- Valuation of collateral and assumptions of future cash flows on individually assessed credit-impaired exposures.

The management provided further information about loan impairment in Notes 5.7.10, 16, 23 and 44.2 to the Consolidated Financial Statements and in Notes 5.6.10, 16, 23 and 43.2 to the Separate Financial Statements.

The management provided further information about the current geopolitical situation and the macroeconomic risks related to the high-interest rate environment that persisted during the year 2024 (the credit risk related to the increase in interest rates upon re-fixation, on the loan portfolio in Notes 5.7.10, 16 and 44.2 to the Consolidated Financial Statements and in Notes 5.6.10, 16 and 43.2 to the Separate Financial Statements.

Key audit matter - Related audit procedures
Based on our risk assessment and industry knowledge, we examined the allowances and evaluated the methodology applied and the assumptions used for the calculation of allowances. Together with our specialists, we re-performed the calculation of the allowances. We tested the design and operating effectiveness of selected key internal controls the management of the Bank has established for the impairment assessment and allowance recognition. With the assistance of our IT specialists, we tested IT controls relating to the access rights and change management of relevant IT applications. Assumptions used in the expected credit loss models and in management overlays. In cooperation with our specialists, we assessed the model methodology, internal validation reports and the results of the back-testing for selected internal models. We assessed whether the modelling assumptions considered all relevant risks, were relevant in the light of historical experience and future outlook, economic climate and the circumstances of customers, as well as our own knowledge of procedures used by similar banks. We used a selected sample to evaluate the appropriateness of risk parameters used in the calculation of allowances. On a selected sample, we calculated risk parameters and performed analytical substantive testing. In light of the volatility in economic scenarios caused by the current geopolitical situation and macroeconomic risks, we assessed whether the macroeconomic and other parameters used in the ECL statistical models fairly reflect the expected degree of defaults and recoverability of loans in the future. We assessed the assumptions and calculation of allowances in the form of a management overlay. <u>Identification of exposures with a significant increase in credit risk and credit-impaired loans</u> We tested system-based and manual controls of the timely classification of loans to the relevant stage. In cooperation with our specialists, we evaluated assumptions used for staging models and we recalculated the staging on a portfolio basis. We assessed the approach to staging and to modification loss recognition adopted by the Bank for loans to customers with deferred payments related to measures that were implemented to mitigate the negative consequences of the current macroeconomic and geopolitical situation. We tested a sample of loans and receivables (including loans that had not been classified by the management as Stage 3 and specific industries which were most impacted by the current macroeconomic and geopolitical situation to make our own assessment as to whether impairment had occurred and to assess whether impairment had been identified in a timely manner. <u>Allowances for individually assessed credit-impaired loans</u> We tested controls of the regular assessment and approval of allowances by the management. We selected a sample of loans and, where we deemed them impaired, evaluated the estimated future cash flows from customers including from the realisation of the collateral held, application of different scenarios and scenario weight. Our testing took into consideration the borrowers' financial status and performance in the current economic environment affected by the current geopolitical situation and macroeconomic development.
Interest and fee income recognition - Allowances for loans and receivables
For the year ended 31 December 2024, the interest income from financial assets measured at amortised cost amounted to CZK 20,632 million and CZK 19,017 million for the Group and the Company, respectively. Total fee and commission income for the same period amounted to CZK 3,725 million and CZK 3,475 million for the Group and the Company, respectively. These items are the main contributors to the operating income of the Company and the Group affecting their profitability, with their main source being loans and deposits from clients.

While interest income is recognised on an accrual basis over the expected life of a financial instrument, the recognition of fee income depends on the nature of the fees as follows:

- Fees that are directly attributable to financial instruments are accrued over the anticipated lifetime of the instrument and reported as interest income.
- Fees for the services rendered are recognised over time and reported as fee and commission income.
- Fees for transaction acts are recognised when the act is performed and reported as fee and commission income.
- Commissions for mediating third-party products are recognised when the contract is concluded and reported only up to the amount of net commission as fee and commission income.

The specifics of revenue recognition and a large volume of individually small transactions, which depends on the quality of input data relating to interest and fees and on IT solutions for their recognition, resulted in this matter being identified as a key audit matter.

The management provided further information about interest income and fees and commissions in Notes 5.4, 5.5, 6 and 7 to the Consolidated Financial Statements and in Notes 5.3, 5.4, 6 and 7 to the Separate Financial Statements.

Interest and fee income recognition - Related audit procedures

Based on our risk assessment and industry knowledge, we evaluated the methodology applied and the assumptions used by the management.

We tested the design and operating effectiveness of the key internal controls and focused on:

- Assessment of interest/fees recognition during new product validation;
- Input data related to interest/fees on customer loans and deposits, including authorisation of the changes in the interest and fees price list and authorisation of non-standard interest/fees; and
- IT controls relating to access rights and change management of relevant IT applications with the assistance of our IT specialists.

We also performed the following substantive tests with regard to interest and fee income recognition:

We evaluated the accounting treatment applied by the Company to determine whether the methodology complies with the requirements of the relevant accounting standard.
We focused our testing on the verification of the correct classification of:

- Fees that are identified as directly attributable to the financial instrument; and
- Fees that are not identified as directly attributable to the financial instrument.

We evaluated the mathematical formulas used for accruing the relevant income over the expected life of the financial instrument.

We analysed the accuracy of the recognised amount of interest income and fee and commission income using substantive analytical tests and monthly data analytics.

Other Information in the Annual Financial Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Financial Report other than the Consolidated and Separate Financial Statements and auditor's report thereon. The Management Board is responsible for the other information.

Our opinion on the Consolidated and Separate Financial Statements does not cover the other information. In connection with our audit of the Consolidated and 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 Consolidated and 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, with the exception

of the sustainability statement, has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information, with the exception of the sustainability statement, complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these 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 the facts that are also presented in the Consolidated and Separate Financial Statements is, in all material respects, consistent with the Consolidated and Separate Financial Statements; and
- The other information, with the exception of the sustainability statement, is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group and the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Management Board and Supervisory Board for the Consolidated and Separate Financial Statements

The Management Board is responsible for the preparation and fair presentation of the Consolidated and Separate Financial Statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Management Board determines is necessary to enable the preparation of Consolidated and Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Separate Financial Statements, the Management Board is responsible for assessing the Group's and the Company'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 Management Board either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated and Separate Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated and Separate Financial Statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated and 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.

- Conclude on the appropriateness of the Management Board'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 and the Company'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 and 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 Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated and Separate Financial Statements, including the disclosures, and whether the Consolidated and 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 the Management Board, the Supervisory Board and the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Management Board, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the Consolidated and 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

Information required by regulation (EU) no. 537/2014 of the European parliament and of the council

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 the Auditor and the Period of Engagement

We were appointed as the auditors of the Company by the General Meeting of Shareholders on 23 April 2024 and our total uninterrupted engagement has lasted for 6 years.

Consistency with the Additional Report to the Audit Committee

We confirm that our audit opinion on the consolidated and separate financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 18 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 non-audit services referred to in Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the Annual Financial Report.

Report on compliance with the ESEF regulation

We have conducted a reasonable assurance engagement on the verification of compliance of the financial statements included in the Annual Financial 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") that apply to the financial statements.

Responsibilities of the Management Board

The Company's Management Board is responsible for the preparation of the financial statements in compliance with the ESEF Regulation. Inter alia, the Company's Management Board is responsible for:

- The design, implementation and maintenance of the internal control relevant for the application of the requirements of the ESEF Regulation;
- The preparation of all financial statements included in the Annual Financial Report in the valid XHTML format; and
- The selection and use of XBRL mark-ups in line with the requirements of the ESEF Regulation.

Auditor's Responsibilities

Our task is to express a conclusion whether the financial statements included in the Annual Financial Report are, in all material respects, in compliance with the requirements of the ESEF Regulation, based on the audit evidence obtained. Our reasonable assurance engagement was conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (hereinafter "ISAE 3000").

The nature, timing and scope of the selected procedures depend on the auditor's judgment. Reasonable assurance is a high level of assurance; however, it is not a guarantee that the examination conducted in accordance with the above standard will always detect a potentially existing material non-compliance with the requirements of the ESEF Regulation.

As part of our work, we performed the following procedures:

- We obtained an understanding of the requirements of the ESEF Regulation;
- We obtained an understanding of the Company's internal control relevant for the application of the requirements of the ESEF Regulation;
- We identified and evaluated risks of material non-compliance with the ESEF Regulation, whether due to fraud or error; and
- Based on this, we designed and performed procedures responsive to those risks and aimed at obtaining a reasonable assurance for the purposes of expressing our conclusion.

The aim of our procedures was to assess whether:

- The financial statements included in the Annual Financial Report were prepared in the valid XHTML format;
- The disclosures in the Consolidated Financial Statements were marked up where required by the ESEF Regulation and all mark-ups meet the following requirements:
  - 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 comply with the common rules for mark-ups pursuant to the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

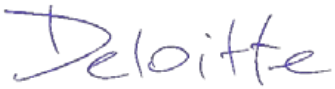
Conclusion

In our opinion, the Company's financial statements for the year ended 31 December 2024 included in the Annual Financial Report are, in all material respects, in compliance with the requirements of the ESEF Regulation.

In Prague on 19 March 2025

Audit firm:

Deloitte Audit s.r.o.
registration no. 079



Statutory auditor:

Miroslav Mayer
registration no. 2529





Family day

Every year, MONETA employees can celebrate International Children‘s Day together with their children and family members at the amusement park, where they spend a day full of fun and games.

We are MONETA

CONSOLIDATED FINANCIAL STATEMENTS OF MONETA MONEY BANK, a.s.

As at and for the Year Ended 31 December 2024
Prepared according to IFRS Accounting Standards as adopted by the European Union

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024

CZK m	Note	2024	2023
Interest and similar income[1)]		22,207	22,046
Interest expense and similar charges		(13,288)	(13,469)
Net interest income	**6**	**8,919**	**8,577**
Fee and commission income		3,725	3,217
Fee and commission expense		(665)	(593)
Net fee and commission income	**7**	**3,060**	**2,624**
Dividend income	8	-	3
Net income from financial operations	9	860	889
Other operating income	10	72	54
Total operating income		**12,911**	**12,147**
Personnel expenses	11	(2,664)	(2,504)
Administrative expenses	12	(1,552)	(1,633)
Regulatory charges	13	(216)	(307)
Depreciation and amortisation	14	(1,225)	(1,233)
Other operating expenses	15	(65)	(53)
Total operating expenses		**(5,722)**	**(5,730)**
Profit for the period before tax and net impairment of financial assets		**7,189**	**6,417**
Net impairment of financial assets	16	(386)	(305)
Profit for the period before tax		**6,803**	**6,112**
Taxes on income	17	(995)	(912)
Profit for the period after tax		**5,808**	**5,200**
Items that will not be reclassified to profit or loss			
- Change in fair value of Investment securities recognised in OCI		-	-
Items that may be reclassified subsequently to profit or loss			
- Movement in hedging reserve:		-	-
- Cash flow hedges – effective portion of changes in fair value		-	-
- Deferred tax	38.2	-	-
Other comprehensive income, net of tax		**-**	**-**
Total comprehensive income attributable to the equity holders		**5,808**	**5,200**
Profit for the year after tax attributable to the equity holders		**5,808**	**5,200**
Profit for the year after tax attributable to the equity holders per share			
Weighted average of ordinary shares (millions of shares)		511	511
Basic earnings per share (in CZK)	18	11.37	10.18
Diluted earnings per share (in CZK)	18	11.37	10.18

1) Calculated using the effective interest method with the exception of hedging derivatives.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

CZK m	Note	31 Dec 2024	31 Dec 2023
Assets			
Cash and cash balances at the central bank[1)]	19	13,541	10,871
Derivative financial instruments with positive fair values	27	596	544
Investment securities	24	116,664	104,353
Hedging derivatives with positive fair values	27	2,314	2,701
Change in fair value of items hedged on portfolio basis		200	122
Loans and receivables to banks	22	79,206	69,632
Loans and receivables to customers	23	275,383	263,064
Intangible assets	28	3,365	3,332
Property and equipment	29	2,260	2,400
Investments in associates	37	3	3
Current tax assets	30	70	76
Other assets	32	1,380	1,086
TOTAL ASSETS		**494,982**	**458,184**
Liabilities			
Derivative financial instruments with negative fair values	27	532	523
Due to banks	33	3,834	5,423
Due to customers	34	430,021	399,497
Hedging derivatives with negative fair values	27	4,259	4,548
Change in fair value of items hedged on portfolio basis		78	63
Issued bonds	25	11,562	3,808
Subordinated liabilities	26	7,622	7,604
Provisions	35	263	266
Current tax liabilities	30	47	54
Deferred tax liabilities	31	469	462
Other liabilities	36	4,416	3,733
Total liabilities		**463,103**	**425,981**
Equity			
Share capital	38	10,220	10,220
Statutory reserve	38	102	102
Other reserves		1	1
Retained earnings		21,556	21,880
Total equity		**31,879**	**32,203**
TOTAL LIABILITIES AND EQUITY		**494,982**	**458,184**

1) The caption of the line has been changed to “Cash and cash balances at the central bank” without any change to the items reported. The previous caption of the line was “Cash and balances with the central bank”.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

CZK m	Share capital	Statutory reserve	Reserve from revaluation of FVTOCI	Retained earnings	Total
Balance as reported 1 January 2024	**10,220**	**102**	**1**	**21,880**	**32,203**
Transactions with owners of the company					
- Dividends	-	-	-	(6,132)	(6,132)
Total comprehensive income					
Profit for the year after tax	-	-	-	5,808	5,808
Other comprehensive income after tax					
- Change in fair value of FVTOCI investment securities	-	-	-	-	-
- Cash-flow hedges – effective portion of changes in fair value	-	-	-	-	-
- Deferred tax	-	-	-	-	-
Balance 31 December 2024	**10,220**	**102**	**1**	**21,556**	**31,879**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

CZK m	Share capital	Statutory reserve	Reserve from revaluation of FVTOCI	Retained earnings	Total
Balance as reported 1 January 2023	**10,220**	**102**	**1**	**20,768**	**31,091**
Transactions with owners of the company					
- Dividends	-	-	-	(4,088)	(4,088)
Total comprehensive income					
Profit for the year after tax	-	-	-	5,200	5,200
Other comprehensive income after tax					
- Change in fair value of FVTOCI investment securities	-	-	-	-	-
- Cash-flow hedges – effective portion of changes in fair value	-	-	-	-	-
- Deferred tax	-	-	-	-	-
Balance 31 December 2023	**10,220**	**102**	**1**	**21,880**	**32,203**

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

CZK m	Note	2024	2023
Cash flows from operating activities			
Profit for the year after tax		**5,808**	**5,200**
Adjustments for:			
Depreciation and amortisation	14	1,225	1,233
Net impairment of financial assets (excl. cash collection and recovery)	16	378	320
Net gain on revaluation of investment securities	9	(10)	(6)
Accrued coupon, amortisation of discount/premium of investment securities		873	609
Accrued interest income from derivatives		796	955
Accrued interest income on loans and receivables to customers and banks[1)]		464	129
Accrued interest expense due to customers and banks[1)]		(451)	221
Net gain/loss from revaluation of hedging derivatives	9	(751)	4,915
Net gain/loss from revaluation of items hedged on portfolio basis	9	771	(5,009)
Net gain/loss from unrealised FX		(43)	(7)
Change in provisions not recognised in depreciation and amortisation		7	(10)
Net gain/loss on sale of investment securities		(59)	(26)
Net loss on sale and other disposal of tangible and intangible assets	28, 29	1	3
Share of profit or loss of associates accounted for using the equity method	9	(3)	-
Dividend income	8	-	(3)
Tax expense	17	995	912
		10,001	**9,436**
Changes in:			
Loans and receivables to customers and banks[1)]	22, 23	(13,481)	3,229
Other assets	32	(294)	49
Due to banks[1)]	33	(1,558)	(587)
Due to customers[1)]	34	30,944	65,073
Other liabilities	36	788	(16)
		26,400	**77,184**
Income taxes paid		(989)	(1,445)
Net cash used in operating activities		**25,411**	**75,739**
Cash flows from investing activities			
Acquisition of investment securities		(15,191)	(45,320)
Proceeds from investment securities		1,549	1,817
Acquisition of property and equipment and intangible assets	28, 29	(916)	(794)
Proceeds from the sale of property and equipment and intangible assets	28, 29	14	38
Dividends received		3	3
Net cash used in investing activities		**(14,541)**	**(44,256)**

CZK m	Note	2024	2023
Cash flows from financing activities			
Proceeds from issued bonds		7,474	-
Repayment of issued bonds		-	(1,900)
Proceeds from subordinated deposits		-	2,922
Payments of lease liabilities		(309)	(299)
Dividends paid		(6,132)	(4,088)
Net cash used in financing activities		**1,033**	**(3,365)**
Net change in cash and cash equivalents		**11,903**	**28,118**
Cash and cash equivalents at beginning of period	**20**	**78,263**	**50,101**
Effect of exchange rate fluctuations on cash and cash equivalents held		65	44
Cash and cash equivalents at end of period	**20**	**90,231**	**78,263**
Interest received[2)]		29,452	26,794
Interest paid[2)]		(18,694)	(16,180)

1) In 2024, the Group added separate lines "Accrued interest income on loans and receivables to customers and banks" and "Accrued interest expense due to customers and banks". For the purpose of comparability, the previous period has been adjusted.
2) Lines "Interest received" and "Interest paid" represent interest paid by customers and counterparties and received from customers and counterparties, respectively, and are included in cash flows from operating activities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OF MONETA MONEY BANK, a.s.

As at and for the Year Ended 31 December 2024
Prepared according to IFRS Accounting Standards as adopted by the European Union

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1. GENERAL INFORMATION

MONETA (the "Group") consists of the parent company MONETA Money Bank, a.s. (the "Bank"), and its subsidiaries and associates listed in note 37.

The latest available list of entities recorded in the registry of book-entry shares of the Bank kept by the Central Securities Depository in Prague (Centrální depozitář cenných papírů, a.s.) with a shareholding interest of more than 1% of the Bank's registered share capital is available in the investor relations section of the Bank's website at: https://investors.moneta.cz/shares. Such entities may not necessarily be the beneficial shareholders of the Bank but may hold shares of the Bank for the beneficial shareholders (such as securities brokers, banks, custodians or nominees).

Please refer to chapter 1.4 of the Annual financial report to the section "Shareholder structure" for the information on the shareholder structure of the Bank as at 31 December 2024. As far as the Bank is aware, no shareholder was a controlling entity of the Bank as at 31 December 2024.

The Bank's registered office is at Vyskočilova 1442/1b, Michle, 140 00 Prague 4, post code 140 28, Czech Republic and its ID number is 25672720, ISIN number: CZ0008040318.

As at 31 December 2024 the Group consists of the following entities, which are further described in note 37:

Name	Business activity
MONETA Auto, s.r.o.	Auto financing (Providing of loans)
MONETA Leasing, s.r.o.	Financing of loans and leasing
MONETA Money Bank, a.s.	Providing loan and deposit products
MONETA Stavební Spořitelna, a.s.	Building savings and bridging loans

The Group operates in the Czech Republic and focuses primarily on secured and unsecured consumer lending, commercial financing and building savings. The consumer portfolio consists of secured and unsecured lending. Unsecured lending products include consumer and auto loans, credit cards, personal overdrafts, building savings loans and bridging loans. Secured lending is provided in the form of mortgages. Commercial lending products range from working capital, investment loans, auto loans, inventory financing, financing of small businesses and entrepreneurs through guarantees, letters of credits and foreign exchange transactions. The Group provides a wide range of deposit and transactional products to retail and commercial customers.

The Group issues debit and credit cards in cooperation with VISA and cooperates with EVO Payments International in acquiring services. In addition, the Group intermediates additional payment protection insurance which covers the customer's monthly loan payment in the event of unemployment, accident or sickness. The Group also acts as the intermediary to provide its customers with other insurance and investment products.

The Group's consolidated financial statements were authorised for issue by the Management Board on 17 March 2025, examined by Supervisory Board and recommended to be published on 18 March 2025. In addition, the financial statements are subject to approval at the General Meeting of shareholders.

All press releases, financial reports and other information are available on the Bank's website: www.moneta.cz.

2. BASIS OF PREPARATION

2.1 BASIS OF PRESENTATION

The financial statements contained herein are consolidated financial statements of the Group prepared in accordance with IFRS Accounting Standards as adopted by the European Union (IFRS® Accounting Standards).

IFRS Accounting Standards as adopted by the European Union comprise accounting standards issued or adopted by the International Accounting Standards Board (IASB) as well as interpretations issued or adopted by the IFRS Interpretations Committee (IFRIC).

These financial statements were not prepared for any special purpose such as potential merger or acquisition.

2.2 GOING CONCERN

The consolidated financial statements are prepared on a going concern basis, as the Management Board is satisfied that the Group has the resources to continue in business for the foreseeable future. In making this assessment, the Management Board has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The Group's financial statements are presented in the Czech Koruna (CZK), which is the Group's functional currency. All amounts have been rounded to the nearest million, except where otherwise indicated.

2.4 MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis, except for investment securities measured at fair value through other comprehensive income (FVTOCI), investment securities measured at fair value through profit or loss (FVTPL) and derivative financial instruments which have been measured at fair value. The carrying values of recognised assets that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged, and this adjustment is either reported on a separate line of the statement of financial position in the case of the application of portfolio fair value hedges, or is directly adjusting carrying value of the hedged item in the case of micro hedges.

3. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements in conformity with IFRS Accounting Standards requires the use of estimates and judgements about future conditions. In view of the inherent uncertainties and the high level of subjectivity involved in the recognition or measurement of the items listed below, it is possible that the outcomes in the next financial year could differ from those on which management's estimates are based, resulting in materially different conclusions from those reached by management for the purposes of the 2024 Consolidated Financial Statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements and estimates in applying accounting policies that have the most significant effect on the amounts recognised in the Group's financial statements is included in the following notes:

- Deferred tax assets and liabilities – note 31;
- Impairment of financial assets – notes 16 and 44;
- Provisions – note 35;
- Fair value – note 45;
- Classification of leases – note 5.11;
- Classification of financial assets – note 5.7.2.

Significant estimates related to future development of prepayments of the loan's notional amount were made by the management of the Group in the area of expected cash flows from loan receivables which are used for determination of amortised cost of the debt financial assets.

Impact of the current macroeconomic environment

Significant judgements made by the management in applying the Group's accounting policies and the key sources of uncertainty estimation were significantly impacted mainly by macroeconomic effects of a high interest-rate environment which were reflected in the loan loss allowances level through management overlays.

Further description of these impacts is provided in the following notes:

- Net impairment of financial assets – note 16;
- Credit Risk – note 44.2.

4. NEW IFRS ACCOUNTING STANDARDS AND INTERPRETATIONS

4.1 STANDARDS AND AMENDMENTS EFFECTIVE AFTER 31 DECEMBER 2024 ISSUED BY THE IASB AND ENDORSED BY THE EU

(a) New standards and amendments to the existing standards with a significant impact on the Group

None.

(b) New standards and amendments to the existing standards with a minor or no impact on the Group

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025).

4.2 STANDARDS AND AMENDMENTS EFFECTIVE AFTER 31 DECEMBER 2024 ISSUED BY THE IASB AND NOT ENDORSED BY THE EU

The below listed new accounting standards and amendments to the existing standards have been published by the IASB that are not mandatory for reporting periods ended 31 December 2024 and have not been adopted by the European Union. The Group intends to adopt these standards and amendments, if applicable, when they become effective as endorsed by the EU. The Group's assessment of the impact of these new standards and amendments is set out below.

(a) IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. The new standard introduces new categories and subtotals in the statement of profit or loss and prescribes disclosure of management-defined performance measures (MPM). The standard also brings new requirements for the location, aggregation and disaggregation of financial information.

Requirements regarding Statement of profit or loss

All income and expense items shall be classified into one of the five categories: operating, investing, financing, income taxes, and discontinued operations. On top of that the standard requires the presentation of subtotals such as "Operating profit or loss", "Profit or loss before financing and income taxes" and "Profit or loss". Classification is influenced by the main business activity defined by the standard as "Investing in particular types of assets" and "Provision of financing to customers". The entity may be subject to one of them or both.

Management-defined performance measures

The standard introduces the concept of a management-defined performance measure (MPM) which is in general the subtotal of income and expenses that an entity uses to externally communicate management's view on the financial performance of the entity to users of financial statements. The standard requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires disclosures to be made about each MPM, such as how the measure is calculated or a reconciliation to the most comparable subtotal of the Statement of profit or loss.

Aggregation and disaggregation and location of information

The standard differentiates between "presentation" within primary financial statements and "disclosure" within notes to financial statements and prescribes which items shall be presented and which shall be presented and/or disclosed. Aggregation and disaggregation shall be done with reference to similar and dissimilar characteristics and also with respect to the materiality of the information.

The amendments shall be effective for annual periods beginning 1 January 2027.

The Group is currently evaluating the impact of the new standard on the Group´s consolidated primary financial statements and notes.

(b) New standards and amendments to the existing standards with a minor or no impact on the Group:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
- Annual Improvements to IFRS Accounting Standards – Volume 11 (effective for annual periods beginning on or after 1 January 2026);
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).

5. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Group applies accounting policies consistently with the exception described in chapter 5.1 Changes in accounting policies. These changes resulted from the adoption of new standards or amendments as listed below. However, none of those standards or amendments have a material impact on the Group's financial statements.

5.1 CHANGES IN ACCOUNTING POLICIES – NEWLY EFFECTIVE AND ENDORSED IFRS ACCOUNTING STANDARDS

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current and Classification of Liabilities as Current or Non-Current – Deferral of Effective Date (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 1 Presentation of Financial Statements – Non-Current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024).

5.2 FOREIGN CURRENCY

The consolidated financial statements are presented in the Czech Koruna (CZK), which is also the Group's functional currency. Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates published by the Czech National Bank at the date of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the profit or loss in "Net income from financial operations".

5.3 BASIS OF CONSOLIDATION

5.3.1 Business Combinations

Business combinations are accounted for using the acquisition method as at the acquisition date – i.e. when the change of control occurs. The consideration transferred in the acquisition is measured at the fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest and the fair value of any previously held equity interest in the acquiree, if any, over the net of the fair values of the identifiable assets and liabilities assumed. Any gain on a bargain purchase is recognised in profit or loss immediately. Acquisition-related costs are recognised as an expense in the profit or loss in the period in which they are incurred.

Any contingent consideration payable is measured at fair value at the acquisition date.

If the acquisition occurs within the current period, prior period figures (comparatives) are not adjusted by preacquisition balances of the acquiree (i.e. acquired entity). Thus reported figures shall be read in such context.

As there is no specific guidance in IFRS Accounting Standards for business combinations under common control, the Group applies method within the assets and liabilities that these are measured by using the acquirer's book values, i.e., book values from consolidated financial statements of the Group.

5.3.2 Non-Controlling Interests

Non-controlling interests are measured at the proportionate share on the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

5.3.3 Subsidiaries

Subsidiaries are investees controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

5.3.4 Associates

Associates are all entities over which the Group has significant influence but not control or joint control.

The Group evidences the existence of significant influence if one or more of the following points is met.

The Group:
- has representation on the board of directors or equivalent governing body of the investee;
- participate in policy-making processes, including participation in decisions about dividends or other distributions;
- has material transactions with its investee;
- interchange of managerial personnel with its investee;
- provision of essential technical information with its investee.

The Group uses the rebuttable presumption that significant influence exists if the Group holds between 20-50% of the voting rights.

The consolidated financial statements of the Group also include the attributable share of the results and other comprehensive income of associates determined using the equity method and based on either financial statements for the annual period ended 31 December or on pro-rated amounts adjusted for any material transactions or events occurring between the date of the financial statements available and 31 December.

5.3.5 Loss of Control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

5.3.6 Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

5.4 INTEREST

Interest income or expense from all interest-bearing financial instruments recognised using the effective interest rate is reported in the profit or loss in the line items “Interest and similar income” and “Interest expense and similar charges” respectively as part of revenue and expenses from continuing operations. Additionally, interest income and expense from hedging derivatives is reported in the same lines.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability. The effective interest rate is a rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability to their carrying amount. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument and includes transaction costs and fees paid or received that are an integral part of the effective interest rate but excludes future credit losses.

Transaction costs include incremental costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Interest income and expense presented in the profit or loss include:

- Interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis;
- Interest on interest rate derivatives designated as hedging derivatives using the contractual interest rate of the corresponding derivative.

If the financial asset is considered impaired, the interest income representing the time value of money between the impairment event and the estimated recovery date continues to be recognised using the effective interest rate method (unwinding) and the effective interest rate is applied on the financial asset’s net carrying amount. The Group calculates the unwinding for the period using an individual deal-by-deal approach and individual effective interest rates.

5.5 FEES AND COMMISSIONS

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a service to a customer.

The following is a description of principal activities of the Group including their nature and timing of the satisfaction of performance obligation in contracts with customers, as well as significant payment terms and related revenue recognition policies.

The Group provides banking and lending services and distribution of third-party products to retail and or commercial customers, such as account management, provision of overdraft facilities, foreign currency transactions, credit cards, lending services, inventory financing, building savings, distributing asset management and insurance products.

Fees and commissions paid or received that are directly attributable to the issue or acquisition of a financial asset or financial liability are an integral part of the effective interest rate on that financial asset or financial liability and are included in the measurement of the effective interest rate.

Revenue from commission-based fees for arranging the sale of third party insurance and investment products is recognised at the point in time when the respective contract is concluded. The Group has evaluated that it acts as an agent as the Group does not control the provided services that are transferred to the customer (the Group does not integrate the related services and does not have discretion in establishing the price). Therefore, the Group recognises only the net amount of expected consideration as revenue. The commission fee is typically derived from the volume of arranged contract as well as the respective contract performance. The Group has evaluated that the performance-based fee shall not be included in the measurement of transaction price as variable consideration, because collection of the fee is highly susceptible to factors outside the Group’s influence. The Group recognises performance-based fees when confirmed by the respective third party. Commission fees that are subject to claw-back are recognised only to the extent that it is highly probable that a significant reversal in the amount of revenue will not occur (historical data are used for evaluation). The Group has concluded that respective liability does not give rise to accounting of a significant financing component because it arises for reasons other than the provision of finance to the Group.

Revenue from servicing fees and fees for ongoing deposit and lending account maintenance are

charged to customer's account on a regular basis and recognised over time as the customer simultaneously consumes the respective benefits. The Group applies different fees for each customer segment and service level. Revenue from servicing fees is recognised on a straight-line basis. The contracts, with the exception of term deposits and building savings, do not have a minimal committed duration period. In the case of contracts with the Group's clients, the fees are settled from their accounts or through the regular periodic repayments. In the case of third parties the Group applies the standard payment conditions for the financial industry sector.

The Group does not provide service incentives (such as temporary service discounts) that would give rise to recognition of a contract asset. The Group does not receive any non-refundable upfront payments from its customers that would give rise to recognition of a respective contract liability or customer option or significant financing component.

Incremental distribution costs paid for the acquisition of deposit contracts (current accounts and savings accounts) are recognised as an asset and amortised over the period for which a customer is expected to receive the respective services. The Group has evaluated the expected amortisation period to five years.

Commissions paid for the origination of building savings and term deposits and respective opening fees are part of the amortised cost of the financial liability to customers and are linearly amortised (linear amortisation is used due to immaterial difference to effective interest rate method in the case of deposit products) until the allotment or the expiry of the term deposit in the profit or loss line item "Interest expense and similar charges".

Revenue from transaction-based fees is given mainly by interchange fees related to card transactions, foreign currency transactions and other payment transactions. The revenue is recognised at a point in time when the related transaction is performed.

Fee income on impaired financial assets is recognised on receipt of cash or performance of the service obligation, whichever is later.

The Group has decided to apply practical expedient IFRS 15.121 and is not disclosing information on the aggregated amount of the remaining transaction price for servicing and commission revenues as the enforceable duration of the respective contract is less than one year and the right to consideration for servicing and commission contracts corresponds directly with the value provided to customer.

5.6 DIVIDENDS

Dividend income is recognised when the right to receive the payment is established. Dividend income is reported in the profit or loss in the line item "Dividend income".

5.7 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.7.1 Recognition

The Group initially recognises financial assets measured at amortised cost on the date on which they originate. All other financial instruments are recognised on the trade date which is the date the Group becomes a party to the contractual provisions of the instrument.

All financial instruments are initially recognised at their fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

5.7.2 Classification of Financial Assets

5.7.2.1 Debt Instruments

Debt instruments include loans and receivables (disclosed especially in the lines "Loans and receivables to banks", "Loans and receivables to customers") and debt securities (disclosed in the line "Investment securities"). They are classified into one of the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI); or
- Fair value through profit or loss (FVTPL).

Classification is based on the assessment of the business model under which the asset is held and on the assessment of the contractual cash flow characteristics of the instrument.

The Group has defined its business models as follows:

- Held to collect (HTC) – the business model for financial assets acquired with the intention of being held until maturity and to collect contractual cash flows. Sales which are insignificant or infrequent, related to the management of increased credit risk of the asset, or close to maturity of the financial assets are considered to be consistent with the HTC business model.
- Held to collect and sell (HTCS) – the business model for financial assets acquired with the intention to be held, to collect contractual cash flows and to be sold. More frequent sales within this portfolio are

expected, mainly for the purpose of managing the Group's liquidity needs.
- Other business models for financial assets neither classified as HTC nor HTCS.

Currently, the Group holds all debt financial assets within the HTC business model except an insignificant portion of securities measured at fair value through profit or loss (FVTPL).

Contractual cash flow characteristics are assessed by analysing the contractual features of the financial asset to determine whether they are connected with cash flows consistent with a basic lending arrangement, i.e. comprising solely payments of principal and interest from the principal amount outstanding (SPPI test). Principal is the fair value of a financial asset at the initial recognition and it changes due to repayments over time. Interest represents a consideration for the time value of money, profit margin, credit risk and other basic lending risks. If a financial asset does not pass the SPPI test it is measured at fair value through profit or loss (FVTPL).

Debt instruments measured at amortised cost

Debt instruments are measured at amortised cost if they are held within a business model whose objective is held to collect (HTC) contractual cash flows where those cash flows represent solely payments of principal and interest. After the initial measurement, debt instruments in this category are carried at amortised cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the carrying amount. Amortised cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Interest income from debt instruments measured at amortised cost is recorded in profit or loss in the line "Interest and similar income".

Impairments on debt instruments measured at amortised cost are calculated using the expected credit loss approach. Loans and receivables and debt securities measured at amortised cost are presented net of the allowance for credit losses in the statement of financial position.

Debt instruments measured at FVTOCI

Debt instruments are measured at FVTOCI if they are held within a business model held to collect and sell (HTCS), where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealised gains and losses on debt instruments measured at FVTOCI (excl. the related expected credit losses which are directly recognised in the profit or loss) are recorded in other comprehensive income (OCI). Upon derecognition, realised gains and losses are reclassified from OCI to profit or loss. Currently, the Group did not classify any debt instrument as FVTOCI.

Debt instruments measured at FVTPL

Debt instruments are measured at FVTPL if they are held within other business models or do not meet the SPPI test. Subsequent to initial recognition, all gains and losses on debt instruments measured at FVTOCI are recognised in the line "Net income from financial operations".

5.7.2.2 Equity instruments

Equity instruments are disclosed in the line "Investment securities". They are measured at FVTPL, unless an election is made to designate them at FVTOCI at the initial recognition or at the date of transition to IFRS 9.

All equity instruments are measured at fair value. In case that there are not enough relevant or actual inputs for fair value determination, the Group uses the instrument's cost as the best available estimate of the instrument' s fair value.

For equity instruments measured at FVTPL, changes in fair value are recognised in the profit or loss in the line "Net income from financial operations".

For equity instruments for which the Group decided for the irrevocable option provided by IFRS 9 to classify it as at the date of transition as FVTOCI, all gains and losses resulting from FVTOCI equity instruments including when derecognised or sold are recorded in OCI and are not subsequently reclassified to profit or loss. Nevertheless, dividends received from FVTOCI equity instruments are disclosed in the profit or loss in the line "Dividend income".

5.7.2.3 Derivatives

Derivatives are measured at FVTPL, changes in fair value are recognised in the profit or loss in the line "Net income from financial operations". For more details see note 5.7.9.

5.7.3 Classification of Financial Liabilities

The Group classifies its non-derivative financial liabilities, other than financial guarantees and loan commitments, at amortised cost. Non-derivative financial liabilities are contractual arrangements resulting in the Group having an obligation to either deliver cash or another financial asset to the holder.

Classification of derivative financial liabilities is presented in note 5.7.9.

5.7.4 Reclassification

Generally, the Group does not reclassify any financial asset or liabilities after initial recognition.

5.7.5 Derecognition

The Group derecognises a financial asset when the contractual rights to receive cash flows from the financial assets expire or the rights to receive the contractual cash flows and substantially all the risks and rewards of ownership have been transferred, or when substantially modified.

On derecognition, the difference between the carrying amount of the asset and the sum of the consideration received and any cumulative gain or loss recognised in other comprehensive income is recognised in profit or loss. Any cumulative gain or loss recognised in other comprehensive income relating to equity investment securities designated at FVTOCI is not recognised in profit or loss on the derecognition but remains recognised in other comprehensive income.

The Group derecognises financial liabilities when the obligation under the liability as specified in the contract is discharged, cancelled or expired.

5.7.6 Modifications

In terms of modification of conditions of a financial asset (e.g. change in interest rate not at refix date or renegotiation of the contractual terms) the Group evaluates whether the cash flows of the modified financial asset are substantially different. If they are substantially different (net present value of the modified financial asset differs by more than 5% from net present value of the original financial asset) then the original financial asset is derecognised and the new financial asset is recognised. The fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and other fees are included in profit or loss as part of the gain or loss on derecognition. When modification results in derecognition, a new financial asset is recognised and allocated to a stage as per risk management assessment.

If the cash flows of a modified financial asset are not substantially different from cash flows from the original financial asset, then the original financial asset remains to be recognised but the gross carrying amount is recalculated using the modified cash flows using the original effective interest rate of the asset. The resulting difference between the original gross carrying amount and the recalculated gross carrying amount is recognised as modification gain or loss in profit or loss.

5.7.7 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards.

5.7.8 Amortised Cost Measurement

The amortised cost of a financial asset or financial liability is the amount at which the asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any allowance for expected credit losses.

5.7.9 Derivatives and Hedge Accounting

Derivatives are initially recognised, and are subsequently remeasured, at fair value. Fair values of derivatives are obtained by using valuation techniques. The Group designates at inception certain derivatives as hedging instruments according to IAS 39 (the Group continues to apply the hedge accounting requirements of IAS 39 as allowed by IFRS 9) and other derivatives are held for trading despite being held for risk management purposes rather than speculative purposes.

(a) Derivatives classified as held for trading

A derivative that is not designated and effective as a hedging instrument measured at fair value through profit or loss and reported in the line “Derivative financial instruments with positive/negative fair values” (derivatives with positive fair values within assets, derivatives with negative fair values within liabilities). These derivatives include currency and interest rate derivatives (swaps and forwards) and are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in derivatives’ fair values and all interest revenues and expenses are reported in the profit or loss line “Net income from financial operations”.

(b) Derivatives designated as hedging instruments

The Group continues to apply the hedge accounting requirements of IAS 39 as allowed by IFRS 9. Hedge accounting is applied if, and only if, all of the following conditions are met:

- The hedge is in-line with the approved Group

Hedging Strategy;
- The hedging relationship is formally documented at the inception;
- The hedge effectiveness can be objectively and reliably measured;
- The hedge is expected to be highly effective at inception and throughout its life.

Fair value hedges on interest rate risk and foreign exchange risk

The Group designates at initial recognition interest rate swap or cross-currency interest rate swap derivatives as hedging instruments. Either to hedge its exposure to the change in the fair value of a defined part of the portfolio of loans to customers, loan commitments, purchased or issued bonds, loans received from banks or customer deposits related to interest rate risk that could affect profit or loss or the Group uses cross-currency interest rate swaps to hedge purchased bonds or loans denominated in foreign currencies. On the designation of the hedge, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedge relationship at the inception and on an ongoing basis. The Group applies for hedge relationships a fair value hedge of the defined hedged item (micro hedge) as well as a portfolio fair value hedge (macro hedge).

The hedge is considered to be effective when a change in the fair value of the hedged item compared to the change in the fair value of the hedging instrument is within a range of 80-125%.

Change in clean fair value excluding accrued interest of a derivative, which is designated as a fair value hedge, is booked daily to the profit or loss and presented in the line "Net income from financial operations" to match the change in fair value of the hedged portfolio. Accrued interest from hedging derivatives is recognised in the profit or loss in the line "Interest and similar income", or in the case of hedged deposit products in the line "Interest expense and similar charges", to match the interest income or expense from the hedged portfolio or hedged item.

In the case of hedging foreign currency risk change in fair value attributable to risk being hedged is booked to the profit or loss and presented in the line "Net income from financial operations".

In the statement of financial position, derivatives with positive fair values (total fair value including accrued interest) are presented in the line item "Hedging derivatives with positive fair values", derivatives with negative fair values (total fair value including accrued interest) are presented in the line "Hedging derivatives with negative fair values".

If the hedging instrument expires, is sold, terminated or exercised, or the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued. In this case, the fair value adjustment to the carrying amount of the hedged item is amortised to profit or loss on a straight-line basis under the line "Interest and similar income".

5.7.10 Impairment of Financial Assets

The Group measures allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for the following categories of financial instruments:

- Amortised cost financial assets;
- Debt securities classified as measured at FVTOCI;
- Undrawn loan commitments.

Financial assets migrate through the three stages based on the change in credit risk since initial recognition.

Expected credit loss impairment model (ECL)

The Group's allowance for credit loss calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either (i) over the following twelve months or (ii) over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The impairment model measures credit loss allowances using a three-stage approach based on the extent of credit deterioration since origination:

- Stage 1 – If there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, a loss allowance at an amount equal to 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) is recorded. Interest revenue is recognised using the effective interest rate method applied on the financial asset's gross carrying amount.
- Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, a loss allowance at an amount equal to full lifetime expected credit losses (expected credit losses that result from all possible default

events over the life of the financial instrument) is recorded. Interest revenue is recognised using the effective interest rate method applied on the financial asset's gross carrying amount.
- Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similarly to Stage 2, a loss allowance at an amount equal to the full lifetime expected credit losses is recorded. Interest revenue is recognised using the effective interest rate method applied on the financial asset's net carrying amount.

Measurement of expected credit loss

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related to credit losses in the relevant portfolio. Details of these statistical parameters/inputs are as follows:

- PD – The probability of default is an estimate of the likelihood of default over a given time horizon.
- EAD – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information require significant judgement.

Presentation of allowance for credit losses (ACL) in the statement of financial position

- Financial assets measured at amortised cost: ACL is deducted from the gross carrying amount of the financial assets;
- Debt instruments measured FVTOCI: no ACL is recognised in the statement of financial position because the carrying value of these assets is their fair value. However, the ACL is presented in the accumulated OCI;
- Off-balance sheet credit risks (e.g. credit cards with undrawn limit): In the case that the determined expected credit loss exceeds the gross carrying value of the financial asset the excess is recognised as a provision.

Purchased or originated credit-impaired financial assets (POCI)

Financial assets classified as POCI are always subject to lifetime allowance for credit losses. At initial recognition expected credit loss is initially reflected in the credit-adjusted effective interest rate. As a result, no loss allowance is recognised at inception. Subsequently, only negative changes in lifetime expected credit losses are recognised as allowance for credit losses, whilst positive changes are recognised as impairment gains increasing the gross carrying amount of such financial assets.

Management overlay

Management overlay allows management of the Group to override results of ECL models in the case that these models are not able to timely respond to changes in economic environment. Application of management overlay is subject of approval process, detail documentation and monitoring.

5.8 REPURCHASE AND REVERSE REPURCHASE AGREEMENTS

The Group enters into contracts to sell and buy back financial instruments at a specific future date (repo) or to buy and sell back financial instruments at a specific future date (reverse repo).

In repo transactions the securities provided by the Group continue to be recognised and reported in the statement of financial position as the Group retains substantially all the risks and rewards of ownership together with all coupons and other income payments received during the period of the repo transaction. The corresponding cash received is recognised in the statement of financial position and a corresponding obligation to return it (including accrued interest) is recorded as a liability.

Securities purchased as a reverse repo transaction are not recognised in the statement of financial position. The consideration paid (including accrued interest) is recorded in the statement of financial position as "Loans and receivables to banks" or "Loans and receivables to customers". The Group is allowed to provide securities received in reverse repo transactions as collateral or sell them, even in the absence of default by their owner.

The difference between the sale and repurchase price or between the purchase and resale price is treated as interest and recognised in net interest income over the life of the agreement.

5.9 FAIR VALUE MEASUREMENT

Fair value is the price the Group would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date.

Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Group's market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3 – Significant inputs to the valuation model are unobservable.

The Group maintains policies and procedures to value instruments. In addition, the Group has risk management teams that review valuation, including independent price validation for certain instruments (e.g. treasury bills).

Fair values of financial assets and liabilities that are not presented in the Group's balance sheet at fair values are shown in note 45.

5.10 PROVISIONS

A provision is recognised by the Group when:

- It has a present obligation (legal or constructive) as a result of a past event; and
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The Group can reliably estimate the amount of the obligation.

Provisions are reported in the statement of financial position and include provisions for expected credit losses (loan commitments) and provisions for litigation and other obligations. Gains and losses related to provisions are reported based on their substance. Provisions are disclosed in note 35.

5.11 LEASES

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

(i) Group as a Lessee

At initiation or modification date of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Group accounts for each lease component within the contract separately i.e. lease and non-lease components of the contract are separated, unless practical expedient is applied.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term or over the useful life of the underlying asset (in case the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option). In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is at initial recognition measured at the present value of fixed and variable lease payments that depend on an index or a rate, initially measured

using the index or rate as at the commencement date net of cash lease incentives that are not paid at the commencement date, discounted using the rate implicit in the lease contract, and where not available, using incremental borrowing rate.

The Group determines its incremental borrowing rate based on market conditions for which it would obtain additional credit financing (loan or debt securities).

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

In case the lease liability is subject to the above mentioned remeasurement, a corresponding adjustment is made to the carrying amount of the right-of-use asset, and it is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in "Property and equipment" and lease liabilities in "Other liabilities" in the statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (up to CZK 100 thousand) and short-term leases (up to 12 months), including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group has not entered any long-term agreement of purchase of goods or services exclusively produced for the Group such as Power Purchase Agreement (PPA).

(ii) Group as a Lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group accounts for sub-lease contracts separately from the master lease. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the master lease, not with reference to the underlying asset. If a master lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Since March 2024, the Group sub-leased part of its HQ building in Prague. The sub-lease is classified as an operating lease. Rentals receivable are spread on a straight-line basis over the lease periods and are recognised in "Other operating income".

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in accordance with IFRS 9 to the net investment in the lease. See note 5.7.10.

The amount due from the lessee under a finance lease is recognised in the Group's statement of financial position as a receivable at an amount equal to the lessor's net investment in the lease and presented in "Loans and receivables to customers". The underlying asset is not recognised on the balance sheet.

The finance income from finance leases is recognised in "Interest and similar income" based on a pattern reflecting a constant periodic rate of return on the net investment, i.e. using the effective interest method.

Payments received by the Group as a lessor under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease in "Other operating income". Any lease incentives paid are recognised as an integral part of the total lease income over the term of the lease.

The assets provided under operating leases are recognised in the statement of financial position of the Group in "Property and Equipment" and corresponding depreciation is recorded in the statement of profit or loss line "Amortisation and depreciation".

5.12 PROPERTY AND EQUIPMENT

Items of property and equipment are measured at cost less accumulated depreciation less impairment losses over their estimated useful lives.

Cost includes the purchase price of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Group, and the initial estimate of the costs of dismantling and removing the item.

Property and equipment is depreciated on a straight-line basis over their estimated useful lives as follows:

Technical Improvements related to real estate	5-15 years[1)]
Furniture	4-10 years
Equipment	5-10 years
Cars	8 years
Computers and servers	5-7 years
ATMs	10 years

1) Based on the estimated duration of use in accordance with the IFRS 16 lease agreement.

Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease terms or their remaining useful lives.

Assets leased by the Group to third parties under operating lease contracts are depreciated over the estimated useful lives in the same way as other property and equipment.

Assets' residual values and useful lives are monitored and adjusted if appropriate at each financial statement date. Property and equipment are subject to quarterly impairment reviews (see note 5.14). If the carrying amount of the asset exceeds its estimated recoverable amount, the asset is adjusted accordingly. Its estimated recoverable amount is the higher of fair value including costs to sell and its value in use.

The Group presents right-of-use assets resulting from lease agreements that do not meet the definition of investment property in the statement of financial position in line "Property and equipment".

Gains and losses on disposals are determined by deducting the carrying value from the consideration received. Any gain/loss on sale is recognised in the profit or loss.

5.13 INTANGIBLE ASSETS

Software

Software acquired by the Group is measured at cost less accumulated amortisation and any accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software to generate future economic benefits and the costs to complete the development can be reliably measured.

Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Purchased software and internally developed software is amortised over its expected useful life that is usually considered to be 5 years when recognised initially. During its useful life, development is performed on the software. This development prolongs the useful life of the software.

The following table shows the weighted average of the remaining useful life of software assets:

Core systems	6 years
Data warehouses	6 years
Infrastructure	5 years
Distribution channels	5 years
Enterprise software	3 years

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Core deposit intangible (CDI)

Core deposit intangible resulting from the Acquisition represents the benefit of having a low-cost and stable funding source to the Group. In times when alternative sources of funds have higher rates, core deposits have greater worth to an acquirer. CDI can be also interpreted as an intangible asset recorded upon acquisitions to capture the value of the customer relationships the acquired deposits represent. The Group amortises CDI linearly over 60 months. Assessment whether circumstances triggering potential impairment is done annually. If such circumstances are identified CDI is tested for impairment in line with note 5.14.

5.14 IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in the profit or loss in the "Other operating expenses" (see note 15). An

impairment loss may be reversed to the extent it does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

The Group regularly monitors potential impacts resulting from climate changes that could result into impairment of non-financial assets. Currently there are no such impairment indicators.

5.15 EMPLOYEE BENEFITS

Employee benefits include short-term bonus payments, flexible benefits (Cafeteria), remuneration for loyalty, retention bonuses and other unclaimed components of remuneration. In 2017, a remuneration programme Executive Variable Incentive Plan (EVIP) was introduced for the Management Board members and other Material Risk Takers, under which bonuses are partially linked to the share price and the dividend (shareholder's return). This programme is an integral part of the Remuneration Policy periodically reviewed and approved by shareholders at least once every 4 years. The Remuneration Policy is available on investor the relations web page.

Detailed terms and conditions for the remuneration of other employees are governed by the Group Directive Remuneration Policy as approved by the Management Board.

Executive Variable Incentive Plan (EVIP) for the Management Board members and other Material Risk Takers

The amount of the variable compensation that a participant receives under the EVIP incentive programme is based on the participant's performance and the Bank's performance; including the achievement of goals and objectives set by the Supervisory Board and the Chief Executive Officer (whereas the Chief Executive Officer is not involved in the decision-making regarding the setting of his own goals and objectives). A portion of the remuneration is paid in cash (part in the year after the assessment year and part is deferred up to five annual instalments in the following years), and the remainder is linked to the total shareholder return (TSR) and spread over up to five annual instalments. This part of the deferred bonus represents a share-based payment and is disclosed in line with IFRS 2 Share-based payments, specifically as cash-settled share-based payments. For more details about this programme please refer to the Remuneration Report. The payout of an insignificant bonus (up to CZK 500,000 for calendar year) is excluded from provisions on the deferred payout and TSR adjustment.

Bonus payments are accrued over time when earned in the amount of the estimated future pay-out.

EVIP Executive Long-Term Premium Awards

As part of the new Remuneration Policy, the Supervisory Board proposed the EVIP Executive Long-Term Premium Award to align Management Board remuneration with the long-term interests of shareholders. This award replaces the previous LTIP programme, which was introduced in 2018 but had never been vested.

The EVIP Executive Long-Term Premium Award is granted on top of the EVIP bonus and is based on the fulfilment of medium-term financial performance targets, which are defined and published at the beginning of the three-year evaluation cycle. The award is determined by the Supervisory Board upon the proposal of the Remuneration Committee and follows the principles of variable remuneration, including risk-adjustment measures, performance thresholds, a payout cap, and a five-year deferral period.

The award is based on the evaluation of two key performance indicators (KPIs): the average Return on Tangible Equity, and the cumulative consolidated Profit before Tax, both measured over a three-year period. The final award is further adjusted by the average TSR over the performance cycle, ensuring alignment with shareholder value creation.

The maximum award amount is capped at 50% of the Personal Variable Target for the EVIP Bonus. The first EVIP Executive Long-Term Premium Award was granted in 2024 based on financial performance over the period 2021–2023, with performance targets set in line with the medium-term guidance published on 5 February 2021.

Sales, collections and customer service incentives

Sales incentives represent a performance-based remuneration to the employees of retail and commercial banking at branches. The volume of the sales incentives depends on the fulfilment of quantitative and qualitative performance targets, which are evaluated and paid quarterly. Employees providing sales and service over the phone or working in selected support departments are evaluated and paid on a monthly basis. Incentives in the Structure Finance unit are paid on an annual basis.

Collection incentives represent a performance remuneration for employees participating in the collection of debts. The frequency of evaluation of performance and payments of incentives is on a monthly (retail receivables) or on a quarterly basis (commercial receivables).

The Group recognises a liability as at the reporting date representing the sum of the sales incentives in the fourth quarter and the amounts deferred from the previous reporting periods.

Flexible benefits (Cafeteria)

Each employee of the Group selects from flexible benefit offers upon his/her preference (including meal allowance) or contribution to pension/life insurance, eventually its combination. Costs of flexible benefits are recognised in the profit or loss line "Personnel expenses" on a straight-line basis over the reporting period.

Retention programs

Employees involved in important projects or having a significant influence on the operation of critically important processes can receive a motivation award under predetermined conditions. The liability is accrued on a monthly basis into expenses on the part of remuneration to which the claim has already arisen taking into account the probability of payment.

5.16 CASH AND CASH BALANCES AT THE CENTRAL BANK

The line "Cash and cash balances at the central bank" includes current accounts and time deposits with the Czech National Bank (CNB), cash in ATMs and in branches. The Group's mandatory minimum reserve held by the CNB is also included within this line.

In previous periods, the caption of the line was "Cash and balances with the central bank". Starting from 2024, the caption of the line has been changed to "Cash and cash balances at the central bank" without any change to the items reported.

5.17 INCOME TAX AND DEFERRED TAX

Income tax expense comprises current and deferred tax. It is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax represents the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Group intends to settle on a net basis and the legal right to offset exists.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Significant temporary and timing differences arise mainly from different accounting and tax value adjustments to receivables, provisions, different accounting and tax economic useful life of tangible and intangible assets and from the revaluation of financial assets.

5.18 SEGMENT REPORTING

The Group's operating businesses are organised based on the nature of markets and customers.

Operating segments are reported in accordance with the internal reports prepared on a regular basis and presented to the members of the Management Board.

The Group has identified the following segments:

- Commercial clients – includes individually and portfolio managed commercial loans. Clients are mainly small and medium entrepreneurs.
- Retail clients – this segment covers most of the Group's consumer products (consumer loans, mortgages, building savings, auto financing, etc.). Products in the Group's consumer portfolio have similar characteristics. They consist mainly of term loans offered through a network of individual branches, call centres and online channels. The products are primarily targeted at consumers and households.
- Treasury/Other – includes mainly investment banking and equity investments and other areas that are not included in the above segments.

The Management Board of the Bank (the chief operating decision maker) does not use the above described segmental view on all items of the Consolidated Statement of Profit or Loss. For this reason, Operating expenses, Taxes and consequently Profit for the year before tax and Profit for the year after tax are not reported in segments but only on the Total level.

Information about the reported segments is described in note 43.

5.19 FINANCIAL GUARANTEES AND LOAN COMMITMENTS

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Liabilities under financial guarantee contracts are recorded initially at their fair value, which is generally the fee received or present value of the fee receivable. Financial guarantee liabilities are subsequently measured at the higher of the initial fair value, less cumulative amortisation and the amount equalling the expected credit loss determined in accordance with IFRS 9 (see note 5.7.10).

The provided guarantees are shown in note 40.

5.20 SUBORDINATED LIABILITIES

Subordinated liabilities (bonds and deposits) are subordinated to all other liabilities of the Bank. As at 31 December 2024, it forms a fully or partially part of the Tier 2 capital of the Bank as defined by the CNB for the purposes of determination of its capital adequacy.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest method.

5.21 MORTGAGE-BACKED BONDS

Mortgage-backed bonds are covered by mortgages provided to clients of the Group. These instruments were purchased as a part of the Acquisition and initially measured at fair value and subsequently measured at their amortised cost using the effective interest method.

Mortgage-backed bonds are presented in the statement of financial position in the line “Issued bonds”.

Internally Issued Mortgage-Backed Bonds (on own books)

The mortgage-backed bonds are covered by mortgage loans provided to the Group’s clients. The purpose of the issuance of these bonds is only in case of potential recovery or resolution strategy of the Bank. In such events, internally held mortgage-backed bonds would be used as collateral for a lombard loan or repo operations predominantly with the Czech National Bank in order to support the liquidity position of the Bank. As at 31 December 2024, the Group did not realise any of these above-mentioned operations and the mortgage-backed bonds were held internally, therefore, these bonds are not recognised in the Statement of financial position.

5.22 OTHER ISSUED BONDS

Other issued bonds are represented by the senior preferred bonds which are in compliance with the minimum requirement for own funds and eligible liabilities (“MREL”) requirement which was set for the Bank by the Czech National Bank.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest method.

Other issued bonds are presented in the statement of financial position in the line “Issued bonds”.

6. NET INTEREST INCOME

CZK m	2024	2023
Interest income from financial assets measured at amortised cost[1)]	20,632	19,040
Loans to customers	13,199	12,449
out of which: interest income from impaired loans[2)]	170	143
out of which: penalty interest	25	24
out of which: EIR amortisation, modification/derecognition and amortisation of acquisition FV adjustments	(576)	(530)
Loans to banks	4,133	3,906
out of which arising from repurchase and reverse repurchase agreements	4,068	3,867
Cash and cash balances at the central bank[3)]	1	363
Interest income from investment securities at amortised cost	3,200	2,308
Other interest income[4)]	99	14
Interest from hedging derivatives	1,575	3,006
Interest income and similar income	**22,207**	**22,046**
Interest expense from financial liabilities measured at amortised cost[1)]	(13,059)	(12,852)
Due to banks	(216)	(159)
Due to customers	(12,144)	(12,085)
out of which: amortisation of acquisition FV adjustments	12	18
Subordinated liabilities	(387)	(282)
Mortgage-backed bonds[5)]	-	(55)
Other issued bonds[6)]	(283)	(175)
Other interest expense[4)]	(29)	(96)
Interest from hedging derivatives	(180)	(584)
Interest expense on lease liabilities	(49)	(33)
Interest expense and similar expense	**(13,288)**	**(13,469)**
Net interest income	**8,919**	**8,577**

1) All interest income and expense from financial instruments at amortised cost are calculated using the effective interest method. There are no FVTOCI interest-bearing instruments.
2) In 2024, the Group revised the methodology of reporting amounts of interest income from impaired loans. For the purpose of comparability, the previous period has been adjusted.
3) The Bank Board of the CNB decided in September 2023 that it would discontinue remuneration of the mandatory minimum reserves. The decision became effective on 5 October 2023; prior to that, the mandatory minimum reserves were remunerated using the 2-week repo rate.
4) Represents interest income or expense respectively from received or provided collateral resulting from Credit Support Annex (CSA).
5) All externally issued mortgage-backed bonds were repaid in 2023. The remaining mortgage-backed bonds issued within the Group, as well as their interest expense are eliminated on a consolidated basis.
6) MREL requirement eligible bonds are included.

Analysis of deferred costs and fees directly attributable to the origination of new loan products that are an integral part of the effective interest rate and fair value adjustment resulting from the revaluation of acquired financial assets:

Year ended 31 Dec 2024 CZK m	Balance at beginning of period	Amortisation	Derecognitions/ Modifications	Additions to deferred fees[1)]	Additions to deferred costs	Balance at end of period
Consumer Loans	137	(9)	(10)	(77)	75	116
Mortgages	1,502	(153)	(37)	(1)	39	1,350
Credit Cards & Overdrafts	10	(9)	-	-	11	12
Auto Loans	198	(105)	(6)	-	141	228
Retail loans deferrals	**1,847**	**(276)**	**(53)**	**(78)**	**266**	**1,706**
Investment Loans	441	(83)	(2)	(13)	50	393
Working Capital	(8)	8	-	(10)	4	(6)
Auto & Equipment Loans	234	(133)	-	-	160	261
Unsecured Instalment Loans and Overdrafts	102	(37)	-	(12)	47	100
Commercial loans deferrals	**769**	**(245)**	**(2)**	**(35)**	**261**	**748**
Total loan deferrals	**2,616**	**(521)**	**(55)**	**(113)**	**527**	**2,454**

1) The majority is the loan account opening fee.

Year ended 31 Dec 2023 CZK m	Balance at beginning of period	Amortisation	Derecognitions/ Modifications	Additions to deferred fees[1)]	Additions to deferred costs	Balance at end of period
Consumer Loans	150	(5)	(2)	(64)	58	137
Mortgages	1,639	(143)	(8)	(4)	18	1,502
Credit Cards & Overdrafts	12	(9)	-	-	7	10
Auto Loans	192	(102)	(5)	-	113	198
Retail loans deferrals	**1,993**	**(259)**	**(15)**	**(68)**	**196**	**1,847**
Investment Loans	508	(83)	(3)	(14)	33	441
Working Capital	(3)	9	-	(18)	4	(8)
Auto & Equipment Loans	231	(145)	-	-	148	234
Unsecured Instalment Loans and Overdrafts	98	(34)	-	(8)	46	102
Commercial loans deferrals	**834**	**(253)**	**(3)**	**(40)**	**231**	**769**
Total loan deferrals	**2,827**	**(512)**	**(18)**	**(108)**	**427**	**2,616**

1) The majority is the loan account opening fee.

7. NET FEE AND COMMISSION INCOME

CZK m	2024	2023
Insurance[1)]	1,223	1,212
Investment funds[2)]	739	331
Penalty fees (incl. early termination fees)	318	277
Deposit servicing fees	377	387
Lending servicing fees	243	229
Transactional and other fees	825	781
Fee and commission income	**3,725**	**3,217**
Fee and commission expense	**(665)**	**(593)**
Net fee and commission income	**3,060**	**2,624**

1) The line "Insurance" includes especially commissions on payment protection insurance, car insurance (Casco and third party liability insurance), travel insurance, accident insurance, life insurance and pension funds.
2) The amount of received fees serves as the base for the calculation of contribution of the Group to the Investor Compensation Fund.

8. DIVIDEND INCOME

CZK m	2024	2023
Dividends from investments	-	3
Dividend income	**-**	**3**

9. NET INCOME FROM FINANCIAL OPERATIONS

CZK m	2024	2023
Net gain/(loss) from hedging instruments	751	(4,915)
Net gain/(loss) from hedged instruments	(771)	5,009
Net gain/(loss) from financial assets and liabilities at FVTPL	13	43
out of which: revaluation of FVTPL securities to fair value	10	6
out of which: expense on derivative instruments	(359)	(118)
out of which: income from derivative instruments	362	155
Net income from sale of investment securities[1)]	59	26
Exchange rate differences	805	726
Share of profit or loss of associates accounted for using the equity method	3	-
Net income from financial operations	**860**	**889**

1) The sale of investment securities was considered in line with the business model, in which they had been hold. Further detail is described in note 24.

10. OTHER OPERATING INCOME

CZK m	2024	2023
Income from leases[1)]	-	1
Rent income[2)]	23	1
Other collection income[3)]	24	19
Other income	25	33
Total other operating income	**72**	**54**

1) The line "Income from leases" includes income from operating lease contracts provided by MONETA Leasing, s.r.o. Assets leased under operating leases are shown in the category "Assets leased under operating lease" (see note 29).
2) The line "Rent income" comprises operating lease income from the sub-lease of the HQ building in Prague.
3) The line "Other collection income" includes the balance of CZK 8 million for 2024 (2023: CZK 10 million) which represents recoveries arising from written-off receivables exceeding the write-off which is recognised in the line "Net impairment of financial assets" out of which CZK 5 million for 2024 (CZK 4 million in 2023) results from legacy NPL sales. The residual amount represents legal costs paid by clients being under collection proceedings by solicitor offices.

11. PERSONNEL EXPENSES

	2024	2023
The average number of employees during the period[1)]	2,475	2,493
Number of Management Board members[2)]	6	5
Number of Supervisory Board members[2)]	9	9
Number of other Key Executive Managers[2)]	3	4
Physical number of employees at the end of the period	2,587	2,580

CZK m	2024	2023
Salaries and bonuses[3)]	(1,950)	(1,854)
out of which: salaries and bonuses actuals	(1,705)	(1,630)
out of which: salaries and bonuses accruals	(245)	(224)
Social security and health insurance	(612)	(581)
Restructuring costs	(4)	25
Other employee-related expenses	(98)	(94)
Total personnel expenses	**(2,664)**	**(2,504)**

1) The average number of employees during the period is an average of the figures reported to the Czech Statistical Authority (CSA) on a monthly basis in accordance with Paragraph 15 of Czech Decree No. 518/2004 Coll. The figures reported to the CSA equal the quotient of the following nominator and the following denominator. The nominator is defined as all hours worked by all employees, their related leaves/holidays and their related sick days. The denominator represents the standard working hours per employee and month.
2) Represents number as of the period end.
3) Remuneration to members of Supervisory Board, Management Board and other Key Executive Managers are described in note 42.1.

12. ADMINISTRATIVE EXPENSES

CZK m	2024	2023
IT and software expense	(694)	(638)
Rent expense[1)]	(36)	(55)
Rent-related services	(123)	(182)
Advisory services	(28)	(22)
Auditor's fees	(29)	(27)
Marketing	(224)	(205)
Travel cost	(36)	(33)
Other expenses[2)]	(382)	(471)
out of which: ATM expense	(51)	(53)
out of which: legal expense	(19)	(27)
out of which: office supplies	(8)	(8)
out of which: transport of cash	(58)	(95)
Total administrative expenses	**(1,552)**	**(1,633)**

1) The line "Rent expense" includes mainly leases whose term ends within twelve months from the date of initial application or from the lease start date (short-term leases) and leases of assets with a purchase price lower than CZK 100 thousand (low-value assets).
2) The line "Other expenses" comprises expenses on other services provided by 3rd parties not disclosed separately, e.g. subscription fees, support of ATMs, transport of cash, postage, training, cleaning services, car expense, etc.

In 2024 line "Auditor's fee" consists of:

- Statutory audit CZK 19 million;
- Other assurance services CZK 13 million – quarterly financial review for the purpose of inclusion of interim profit into regulatory capital, ESG reporting audit, review of Remuneration report and bond comfort letter (out of which CZK 5 million is part of the amortised cost of the issued bonds);
- Other non-audit services CZK 2 million – MiFID reporting, review of internal control system requested by the Czech National Bank, proofread of Annual Financial Report and training.

13. REGULATORY CHARGES

CZK m	2024	2023
Contributions to Deposit Insurance Fund	(147)	(171)
Contributions to Resolution and Recovery Fund[1)]	(62)	(130)
Contributions to Investor Compensation Fund	(7)	(6)
Total regulatory charges	**(216)**	**(307)**

1) Decrease in 2024 is mainly driven by a high level of fulfilment of the Resolution and Recovery Fund and the corresponding lower contribution to the fund.

14. DEPRECIATION AND AMORTISATION

CZK m	2024	2023
Depreciation of property and equipment	(509)	(532)
out of which: right-of-use assets	(318)	(319)
Amortisation of intangible assets	(716)	(701)
Total depreciation and amortisation	**(1,225)**	**(1,233)**

Impairment losses are disclosed in note 15.

15. OTHER OPERATING EXPENSES

CZK m	2024	2023
Damages	(7)	(8)
Unrecoverable VAT	(1)	(2)
Other expenses	(57)	(43)
out of which: impairment of non-financial assets	(3)	(4)
Total other operating expenses	**(65)**	**(53)**

16. NET IMPAIRMENT OF FINANCIAL ASSETS

CZK m	2024	2023
Additions and release of loan loss allowances	(360)	(327)
Additions and release of allowances/provisions to unused commitments	11	32
Use of loan loss allowances associated with written-off receivables	951	710
Income from previously written-off receivables	33	56
Write-offs of uncollectable receivables	(981)	(727)
Change in allowances to Investment securities	1	(4)
Change in allowances to operating receivables	-	(4)
Collection costs	(41)	(41)
Net impairment of financial assets	**(386)**	**(305)**

Line "Income from previously written-off receivables" includes in 2024 CZK 17 million (2023: CZK 40 million) representing recovery resulting from NPL sales. The overall profit or loss impact of the NPL sales in 2024 is CZK 132 million (2023: CZK 307 million) representing recovery, release of related unused Loan Loss Allowances and Other income (see note 10).

If loss given default (LGD) (in either the individual assessment or statistical models) changes by +/- 10% in relative terms, then the loan loss allowances would change by +/- CZK 476 million as at 31 December 2024 and by +/- CZK 482 million as at 31 December 2023.

The Group reflects external collection costs in determining the impairment loss of loans and receivables and these costs are disclosed in the line "Net impairment of financial assets" when they are incurred. An estimate of these costs also reduces the present value of recovery cash flows expected from related, defaulted receivables.

At each financial statement date, financial assets not measured at fair value through profit or loss are assessed for impairment. The Group determines whether as a result of an event or events occurring alone or in combination, a financial asset is considered in default. For further details, see note 44.2.2. Calculation of loan loss allowances is performed in line with IFRS 9. For further details, see note 44.2.4.

Impacts of the current macroeconomic environment

Significant uncertainty regarding the future macroeconomic developments in connection with the environment of high interest rates remained during 2024. The Group continued to take this risk factor, which is not adequately reflected in the current IFRS 9 model of expected credit losses, into account through the management overlay framework, which was continuously monitored and updated during 2024. These regular reviews included also the backtest of overlay assumptions. As at 31 December 2024, the total management overlay amount stood at CZK 394 million.

Macroeconomic assumptions in the IFRS 9 model were updated in August 2024. The scenarios of the main macroeconomic variables of the model (unemployment rate and GDP growth) were constructed based on the latest available forecasts provided by the Czech National Bank. The potential negative development of these drivers is reflected via the adverse IFRS 9 macroeconomic scenario.

The following table shows an overview of internal scenarios based on the prognoses of the MFCR and the CNB:

GDP Growth Year	MFCR (1/2024)	MFCR (4/2024)	MFCR (8/2024)	MFCR (11/2024)	CNB (2/2024)	CNB (5/2024)	CNB (8/2024)	CNB (11/2024)	IFRS 9 MODEL
2024	1.2%	1.4%	1.1%	1.1%	0.6%	1.4%	1.2%	1.0%	1.2%
2025	2.5%	2.6%	2.7%	2.5%	2.4%	2.7%	2.8%	2.4%	2.8%
2026							2.4%	2.4%	2.4%

Unemployment Year	MFCR (1/2024)	MFCR (4/2024)	MFCR (8/2024)	MFCR (11/2024)	CNB (2/2024)	CNB (5/2024)	CNB (8/2024)	CNB (11/2024)	IFRS 9 MODEL
2024	2.8%	2.8%	2.8%	2.6%	3.0%	2.9%	2.7%	2.7%	2.7%
2025	2.7%	2.7%	2.7%	2.5%	3.1%	3.1%	2.8%	2.9%	2.8%
2026							3.0%	3.0%	3.0%

Management overlay

Throughout 2024, the management overlay framework was subject to regular reviews, backtests and updates in line with the pre-defined governance framework.

In May 2024, the management overlay reflecting risks associated with exposures secured by COVID-19 guarantees expiring within 12 consequent months was dissolved in the amount of CZK 80 million since its initial assumptions have not materialised.

As at 31 December 2024, the total management overlay amount stood at CZK 394 million.

17. TAXES ON INCOME

Tax expense from the Group's profit before tax can be analysed as follows:

CZK m	2024	2023
Current income tax for the year	(1,003)	(934)
Income tax related to prior years	15	(12)
Change in deferred tax position recognised in profit or loss	(7)	34
Taxes on income	**(995)**	**(912)**

The table below shows the reconciliation of the actual tax charge and the tax charge based on applying the standard corporate income tax rate according to the Czech Republic's income tax law:

CZK m	2024	2023
Profit for the period before tax	**6,803**	**6,112**
Theoretical income tax accounted for into expenses, calculated at the rate of 21% (2023: 19%)	(1,429)	(1,161)
Tax related to the prior years	3	(12)
Impact of the tax non-deductible expenses	(53)	(37)
Impact of the tax-exempt income[1)]	484	296
Impact of windfall tax on deferred tax	-	46
Impact of change in the income tax rate from 19% to 21% (effective from 1 January 2024)	-	(44)
Taxes on income	**(995)**	**(912)**
Effective income tax rate	14.6%	15.0%

1) Tax-exempt income is primarily realised from investments into Government bonds issued after 1 January 2021.

The Group is not aware of any uncertain tax treatment as defined in IFRIC 23 Uncertainty over Income Tax Treatments, thus calculation of current and deferred tax is not influenced by extra judgements and estimates, which requires separate disclosure.

The Bank shall be subject to the windfall tax imposed by the Government on Banks that report net interest income higher than CZK 6 billion in 2021, Power and Fuel industry for tax periods from 2023 to 2025. The Windfall tax base is positive excess over the individual Bank's four-year average tax base (2018 to 2021) increased by 20 percent and its actual tax base of the given tax period. Such excess if any is subject to an additional 60 percent taxation.

In 2024, based on the current operating plan, the Bank does not expect payment of any windfall tax in the future, thus there is neither an impact on payable nor deferred tax.

The Group is generally subject to Global minimum tax under Pillar II. Based on the Group's tax calculation, in 2024, the threshold for application of the minimum tax is not met, therefore, income tax payable is not impacted in the current period. With respect to the latest available tax forecasts, the Group does not expect material exposure to Pillar II Income tax in 2025.

18. EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing the net profit for the year after tax attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

CZK m	2024	2023
Profit for the year after tax attributable to the equity holders	5,808	5,200
Weighted average of ordinary shares (millions of shares)	511	511
Basic earnings per share (CZK)	**11.37**	**10.18**

As the Group has not issued any potentially dilutive instruments, the basic earnings per share equal the diluted earnings per share.

19. CASH AND CASH BALANCES AT THE CENTRAL BANK

CZK m	31 Dec 2024	31 Dec 2023
Cash and cash in transit	3,770	3,206
Term deposits included in the cash equivalents	1,639	-
Mandatory minimum reserve and clearing account with the central bank	8,132	7,665
Total cash and cash balances at the central bank	**13,541**	**10,871**

The Group includes a mandatory minimum reserve with the Czech National Bank into "Cash and cash balances at the central bank". The Group may draw funds from the mandatory minimum reserve at any point in time provided that the average balance over the relevant period meets the minimum levels required according to the regulations of the Czech National Bank.

20. CASH AND CASH EQUIVALENTS

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise the following balances with maturities from the acquisition of less than 3 months:

CZK m	31 Dec 2024	31 Dec 2023
Cash and cash balances at the central bank	13,541	10,871
Loans and receivables to banks	76,690	67,392
Total cash and cash equivalents	**90,231**	**78,263**

21. TRANSFER OF FINANCIAL ASSETS – REPURCHASE TRANSACTIONS

31 Dec 2024 CZK m	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities
Liabilities arising from repurchase agreements				
with clients	-	-	-	-
with banks	-	-	-	-
Total liabilities arising from repurchase agreements	**-**	**-**	**-**	**-**
Financial assets transferred as collateral in repurchase agreements				
Financial assets measured at amortised cost	-	-	-	-
Financial assets received in reverse repos	-	-	-	-
Total financial assets transferred as collateral in repurchase agreements	**-**	**-**	**-**	**-**

31 Dec 2023 CZK m	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities
Liabilities arising from repurchase agreements				
with clients	-	-	-	-
with banks	-	2,531	-	2,531
Total liabilities arising from repurchase agreements	**-**	**2,531**	**-**	**2,531**
Financial assets transferred as collateral in repurchase agreements				
Financial assets measured at amortised cost	2,824	-	3,229	-
Financial assets received in reverse repos	-	-	-	-
Total financial assets transferred as collateral in repurchase agreements	**2,824**	**-**	**3,229**	**-**

Liabilities from repurchase agreements represent the obligation to repay the borrowing and are shown in the lines "Due to banks" (see note 33) and "Due to customers" (see note 34).

As at 31 December 2024, no financial assets have been transferred as collateral. As at 31 December 2023, financial assets transferred as collateral consisted of Government bonds (see note 24) measured at an amortised cost of CZK 2,824 million.

22. LOANS AND RECEIVABLES TO BANKS

Loans and receivables to banks include:

CZK m	31 Dec 2024	31 Dec 2023
Current accounts at banks	385	260
Overnight deposits	937	392
Receivables arising from reverse repurchase agreements[1)]	75,368	66,740
Cash collateral granted[2)]	2,513	2,238
Other[3)]	3	2
Included in cash equivalents	76,690	67,392
Total loans and receivables to banks	**79,206**	**69,632**

1) The Group provides reverse repo operations with the Czech National Bank. The collateral received as at 31 December 2024 of CZK 73,856 million (31 December 2023 CZK 65,422 million) is represented by treasury bills that are not recognised in the statement of financial position.
2) Comprises collateral granted for derivative transactions.
3) Represents an unsolicited dividend for the years 2021, 2022, 2023 and 2024 transferred to Komerční banka, a.s. that is administering the payment.

The Group did not recognise any allowances to loans and receivables to banks during 2024 and 2023, as such exposures are short-term only and impact is immaterial.

23. LOANS AND RECEIVABLES TO CUSTOMERS

(a) Loans and receivables to customers by sector

CZK m	31 Dec 2024	31 Dec 2023
Financial organisations	1,312	1,551
Non-financial organisations	57,437	52,052
Government sector	181	171
Non-profit organisations	70	80
Entrepreneurs	23,819	20,699
Resident individuals	189,764	187,088
Non-residents	6,852	6,105
Gross carrying amount of Loans and receivables to customers	**279,435**	**267,746**
Less Loss allowance for Loans and receivables to customers	(4,052)	(4,682)
Net book value of Loans and receivables to customers	**275,383**	**263,064**

(b) Loans and receivables to customers by product

	31 Dec 2024			31 Dec 2023		
CZK m	Gross carrying amount	Allowances	Carrying amount	Gross carrying amount	Allowances	Carrying amount
Retail loan balances						
Consumer Loans	49,067	(1,847)	47,220	48,702	(2,144)	46,558
Mortgages[1)]	131,179	(569)	130,610	128,604	(658)	127,946
Credit Cards & Overdrafts	2,449	(158)	2,291	2,470	(200)	2,270
Auto Loans	2,792	(94)	2,698	2,560	(89)	2,471
Other	7	(7)	-	8	(8)	-
Total Retail	**185,494**	**(2,675)**	**182,819**	**182,344**	**(3,099)**	**179,245**
Commercial loan balances						
Investment Loans	50,262	(290)	49,972	45,364	(291)	45,073
Working Capital	16,696	(202)	16,494	15,519	(193)	15,326
Auto & Equipment Loans	9,045	(194)	8,851	9,069	(204)	8,865
Unsecured Instalment Loans and Overdraft	16,879	(682)	16,197	14,380	(881)	13,499
Inventory Financing and Other	1,059	(9)	1,050	1,070	(14)	1,056
Total Commercial	**93,941**	**(1,377)**	**92,564**	**85,402**	**(1,583)**	**83,819**
Total Loans and receivables to customers	**279,435**	**(4,052)**	**275,383**	**267,746**	**(4,682)**	**263,064**

1) Part of the mortgage portfolio is an underlying asset for mortgage-backed bonds.

(c) Loss allowances for loans and receivables to customers by sectors

CZK m	Financial organisations	Non-financial organisations	Non-profit organisations	Entrepreneurs	Resident individuals	Non-residents	Total
1 Jan 2024	**7**	**688**	**2**	**821**	**3,065**	**99**	**4,682**
Net change of allowances recognised in Statement of Financial position	-	20	-	(1)	305	(5)	319
Effect of written-off receivables	-	(51)	-	(156)	(717)	(27)	(951)
Exchange rate variances	-	1	-	-	-	1	2
31 Dec 2024	**7**	**658**	**2**	**664**	**2,653**	**68**	**4,052**

CZK m	Financial organisations	Non-financial organisations	Non-profit organisations	Entrepreneurs	Resident individuals	Non-residents	Total
1 Jan 2023	**45**	**718**	**6**	**773**	**3,480**	**86**	**5,108**
Net change of allowances recognised in Statement of Financial position	(38)	42	(4)	152	102	25	279
Effect of written-off receivables	-	(74)	-	(104)	(517)	(15)	(710)
Exchange rate variances	-	2	-	-	-	3	5
31 Dec 2023	**7**	**688**	**2**	**821**	**3,065**	**99**	**4,682**

24. INVESTMENT SECURITIES

CZK m	31 Dec 2024	31 Dec 2023
Debt securities measured at amortised cost	116,597	104,297
out of which: government bonds	113,208	101,070
out of which: corporate bonds	3,389	3,227
Debt securities measured at FVTPL	41	30
Equity securities measured at FVTOCI	1	1
Equity securities measured at FVTPL	25	25
Total investment securities	**116,664**	**104,353**
By listing:		
- listed	116,597	104,297
- unlisted	67	56

Debt securities measured at amortised cost are held with the objective to hold the assets and collect contractual cash flow, thus presented under the Hold to Collect business model.

Expected credit losses related to debt securities measured at amortised cost at 31 December 2024 amount to CZK 21 million (31 December 2023: CZK 23 million).

In 2024, there was sale of corporate bond from the portfolio measured at amortised cost held within the business model Hold to Collect in the amount of CZK 1,086 million (2023: CZK 1,186 million). The bond sale was considered as infrequent sale of insignificant value according to the business model assessment.

Equity securities measured at FVTOCI include investment in SWIFT. The Group elected the irrevocable option provided by IFRS 9 to classify its investment in SWIFT as at the date of transition to IFRS 9 as FVTOCI as the Group intends to hold these in the long term and they were measured in the same way according to IAS 39 and IFRS 9. Since transitioning to IFRS 9, all gains and losses resulting from FVTOCI equity instruments, including when derecognised or sold, are recorded in OCI and are not subsequently reclassified to profit or loss. The Group did not receive any dividends relating to FVTOCI equity instruments in 2024 and 2023. There have been no disposals from FVTOCI equity securities in periods 2024 and 2023.

In April 2021, the Group purchased a 10% share of Bankovní identita, a.s. The share is classified as an equity instrument measured at FVTPL. The reason for purchasing the share was to closely participate in the provision of identity verification services provided by Bankovní identita, a.s. As at 31 December 2024, the Group holds an 8% share of Bankovní identita, a.s. and the total investment amounts to CZK 25.2 million.

Debt securities measured at FVTPL consist of the VISA Preferred Stock Series C securities that can be sold in the future when it is possible and VISA Series A Convertible Participating Preferred Stock that can be converted into marketable shares.

As at 31 December 2024, the Group had no repurchase transactions, therefore, no debt securities measured at amortised cost are transferred as collateral under these transactions. As at 31 December 2023, debt securities measured at amortised cost with a carrying amount of CZK 2,824 million were transferred as collateral under repurchase transactions.

25. ISSUED BONDS

Mortgage-Backed Bonds

As at 31 December 2024, the Group did not maintain any tranche of mortgage-backed securities issued outside the Group.

Internally Issued Mortgage-Backed Bonds (on own books)

The mortgage-backed bonds are covered by mortgage loans provided to the Group's clients. The purpose of the issuance of these bonds is only in case of potential recovery or resolution strategy of the Bank. In such events, internally held mortgage-backed bonds would be used as collateral for a lombard loan or repo operations predominantly with the Czech National Bank in order to support the liquidity position of the Bank. As at 31 December 2024, the Group did not realise any of these above-mentioned operations and the mortgage-backed bonds were held internally, therefore, these bonds are not recognised in the Statement of the financial position.

Other Issued Bonds

The Bank issued the bonds as a part of compliance with the minimum requirement for own funds and eligible liabilities ("MREL") requirement which was set for the Bank by the CNB.

The Bank issued the senior preferred bonds in the total nominal amount of CZK 1,500 million and EUR 400 million. The EUR tranches were settled on 3 February 2022 and 11 September 2024 and the CZK tranche was settled on 15 December 2022. Further issue details are described in the following table.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest rate method.

ISIN	Issue date	Currency	Maturity date	Interest rate	Call option	Total nominal amount outstanding EUR m/CZK m
XS2435601443	3 Feb 2022	EUR	3 Feb 2028	1.625% p.a.	after 5 years	100
CZ0003707671	15 Dec 2022	CZK	15 Dec 2026	8.00% p.a.	after 3 years	1,500
XS2898794982	11 Sep 2024	EUR	11 Sep 2030	4.414 % p.a.	after 5 years	300

Amortised cost of the outstanding Other issued bonds:

CZK m	31 Dec 2024	31 Dec 2023
Other issued bonds at amortised cost	11,562	3,808
Total	**11,562**	**3,808**

The Group did not report any default of principal or interest or other breaches with respect to other issued bonds during the years 2024 and 2023.

26. SUBORDINATED LIABILITIES

Issued Subordinated Debt Securities

Subordinated debt securities were issued to strengthen regulatory capital on a consolidated as well as individual level. These liabilities are subordinated to all other liabilities of the Bank. As at 31 December 2024, they form in the partial amount of CZK 4.5 billion a part of the Tier 2 capital of the Bank as defined by the CNB for the purposes of determination of its capital adequacy.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest rate method.

The Bank issued debt securities in the total nominal amount of CZK 4,602 million.

	ISIN	Issue date	Currency	Maturity date	Interest rate	Call option	Total nominal amount at issue date CZK m
MB 3.30/29	CZ0003704918	25 Sep 2019	CZK	25 Sep 2029	5.65% p.a.[1)]	after 5 years[2)]	2,001
MB 3.79/30	CZ0003705188	30 Jan 2020	CZK	30 Jan 2030	3.79% p.a.	after 5 years	2,601

1) Effective from 25 September 2024, in accordance with the bond prospectus, the interest rate was adjusted from a fixed rate of 3.30% p.a. to a floating rate calculated as 6M PRIBOR plus a 1.63% margin.
2) The first opportunity to exercise the call option after 5 years has expired. The call option can now be exercised each year on the anniversary date.

Amortised cost of the outstanding subordinated debt securities:

CZK m	31 Dec 2024	31 Dec 2023
Subordinated debt securities at amortised cost	4,706	4,690
Total	**4,706**	**4,690**

The Group did not report any default of principal or interest or other breaches with respect to subordinated liabilities during the years 2024 and 2023.

Subordinated Deposits

In the second quarter of 2023, the Bank strengthened its capital and eligible liabilities through a subordinated deposit offering. The Bank has received subordinated deposits in the amount of CZK 2.9 billion. The term of the subordinated deposit is set at five years with a guaranteed interest rate of 7 percent for the entire term. As at 31 December 2024, they form in the partial amount of CZK 2.1 billion a part of the Tier 2 capital of the Bank as defined by the CNB for the purposes of determination of its capital adequacy (see note 44.1).

CZK m	31 Dec 2024	31 Dec 2023
Subordinated deposits at amortised cost	2,916	2,914
Total	**2,916**	**2,914**

27. FINANCIAL DERIVATIVES

The Group enters into financial derivatives predominantly to hedge its interest rate risk position and secondly to economically hedge its FX risk position. All maintained financial derivatives are contracted Over the Counter ("OTC").

Interest rate swaps or cross currency interest rate swaps are recognised at inception as hedging instruments according to IAS 39, in order to hedge their exposure to the change of the fair value of a defined part of assets or liabilities portfolio related to interest rate risk (see note 5.7.9).

Foreign exchange derivatives (currency swaps, currency forwards) are constructed to economically hedge the foreign currency risk but these derivatives are not designated at initial recognition as hedging derivatives. They are held under Other business model (Derivatives classified as held for trading) and measured at FVTPL and presented in the lines "Derivative financial instruments with positive/negative fair value" (derivatives with positive fair values within assets, derivatives with negative fair values within liabilities).

In the statement of financial position, derivatives with positive fair values (total fair value including accrued interest) are presented in the line item "Hedging derivatives with positive fair values", derivatives with negative fair values (total fair value including accrued interest) are disclosed in the line "Hedging derivatives with negative fair values".

In the years 2024 and 2023, the immaterial ineffectiveness on the hedging relationship was recognised in profit or loss.

Financial derivatives classified as held for trading:

31 Dec 2024	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
CURRENCY DERIVATIVES				
Currency swaps	14,031	14,009	29	1
Currency forwards	3,665	3,660	54	51
Cross currency interest rate swaps - discontinued fair value hedges	738	735	41	37
INTEREST RATE DERIVATIVES				
Interest rate swaps - discontinued fair value hedges	8,978	8,978	472	443
Total derivatives for trading	**27,412**	**27,382**	**596**	**532**

31 Dec 2023	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
CURRENCY DERIVATIVES				
Currency swaps	1,734	1,745	1	13
Currency forwards	2,617	2,612	66	61
Cross currency interest rate swaps - discontinued fair value hedges	732	729	19	27
INTEREST RATE DERIVATIVES				
Interest rate swaps - discontinued fair value hedges	7,673	7,673	458	422
Total derivatives for trading	**12,756**	**12,759**	**544**	**523**

Financial derivatives designated at initial recognition as hedging derivatives:

31 Dec 2024	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
INTEREST RATE DERIVATIVES				
Interest rate swaps designated as fair value hedges	143,032	143,032	2,314	4,147
CURRENCY DERIVATIVES				
Cross currency interest rate swaps designed as fair value hedges	1,996	2,093	-	112
Total hedging derivatives	**145,028**	**145,125**	**2,314**	**4,259**

31 Dec 2023	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
INTEREST RATE DERIVATIVES				
Interest rate swaps designated as fair value hedges	120,564	120,564	2,701	4,490
CURRENCY DERIVATIVES				
Cross currency interest rate swaps designed as fair value hedges	1,996	2,055	-	58
Total hedging derivatives	**122,560**	**122,619**	**2,701**	**4,548**

Cash collateral of financial derivatives:

31 Dec 2024	Fair value		Cash collateral	
CZK m	Assets	Liabilities	Received	Granted
Financial derivatives	2,910	4,791	621	2,513

31 Dec 2023	Fair value		Cash collateral	
CZK m	Assets	Liabilities	Received	Granted
Financial derivatives	3,245	5,071	834	2,238

28. INTANGIBLE ASSETS

CZK m	Software purchased	Software internally developed	Core deposit intangible (CDI)	Intangibles not yet activated	Total
Carrying amount as at 31 Dec 2022	**276**	**2,712**	**74**	**317**	**3,379**
Additions to assets	76	548	-	654	1,278
Activated assets during period	-	-	-	(624)	(624)
Amortisation for period	(117)	(551)	(33)	-	(701)
Impairment of assets	-	-	-	-	-
Carrying amount as at 31 Dec 2023	**235**	**2,709**	**41**	**347**	**3,332**
Additions to assets	80	565	-	749	1,394
Activated assets during period	-	-	-	(645)	(645)
Amortisation for period	(124)	(559)	(33)	-	(716)
Impairment of assets	-	-	-	-	-
Carrying amount as at 31 Dec 2024	**191**	**2,715**	**8**	**451**	**3,365**

CZK m	Software purchased	Software internally developed	Core deposit intangible (CDI)	Intangibles not yet activated	Total
Cost as at 31 Dec 2022	1,496	7,236	220	317	9,269
Accumulated Amortisation and Impairment 2022	(1,220)	(4,524)	(146)	-	(5,890)
Carrying amount as at 31 Dec 2022	**276**	**2,712**	**74**	**317**	**3,379**
Cost as at 31 Dec 2023	1,589	7,771	189	347	9,896
Accumulated Amortisation and Impairment 2023	(1,354)	(5,062)	(148)	-	(6,564)
Carrying amount as at 31 Dec 2023	**235**	**2,709**	**41**	**347**	**3,332**
Cost as at 31 Dec 2024	1,577	8,204	189	451	10,421
Accumulated Amortisation and Impairment 2024	(1,386)	(5,489)	(181)	-	(7,056)
Carrying amount as at 31 Dec 2024	**191**	**2,715**	**8**	**451**	**3,365**

Annual costs related to research and development that did not meet capitalisation criteria amounted to CZK 140 million in 2024 (2023: CZK 108 million).

29. PROPERTY AND EQUIPMENT

CZK m	Capital improvements of leased assets	Equipment and machinery	Fixtures and other tangibles	Assets leased under operating lease	Right-of-use assets – real estates	Right-of-use assets – other assets	Property and equipment not yet activated	Total
Carrying amount as at 31 Dec 2022	**326**	**485**	**30**	**1**	**1,454**	**-**	**22**	**2,318**
Additions to assets	60	148	7	-	481[2)]	-	686	1,382
Disposals/Activated assets during period	(4)	(33)	-	-	-	-	(696)	(733)
Depreciation for period	(65)	(135)	(12)	(1)	(319)	-	-	(532)
Impairment of assets[1)]	-	(3)	-	-	(32)	-	-	(35)
Carrying amount as at 31 Dec 2023	**317**	**462**	**25**	**-**	**1,584**	**-**	**12**	**2,400**
Additions to assets	52	100	20	-	170	20	385	747
Disposals/Activated assets during period	-	(11)	-	-	-	-	(362)	(373)
Depreciation for period	(62)	(122)	(7)	-	(314)	(4)	-	(509)
Impairment of assets[1)]	-	(2)	-	-	(3)	-	-	(5)
Carrying amount as at 31 Dec 2024	**307**	**427**	**38**	**-**	**1,437**	**16**	**35**	**2,260**

1) Impairment of assets related to "Right-of-use assets – real estates" results from ATMs and branches terminations.
2) Increase of amount in 2023 is mainly driven by prolonging the lease term of the Prague Headquarters building by 2 years.

CZK m	Capital improvements of leased assets	Equipment and machinery	Fixtures and other tangibles	Assets leased under operating lease	Right-of-use assets – real estates	Right-of-use assets – other assets	Property and equipment not yet activated	Total
Cost as at 31 Dec 2022	1,050	1,449	140	7	2,679	-	22	5,347
Accumulated Depreciation 2022	(724)	(964)	(110)	(6)	(1,225)	-	-	(3,029)
Carrying amount as at 31 Dec 2022	**326**	**485**	**30**	**1**	**1,454**	**-**	**22**	**2,318**
Cost as at 31 Dec 2023	1,054	1,325	140	1	3,025	-	12	5,557
Accumulated Depreciation 2023	(737)	(863)	(115)	(1)	(1,441)	-	-	(3,157)
Carrying amount as at 31 Dec 2023	**317**	**462**	**25**	**-**	**1,584**	**-**	**12**	**2,400**
Cost as at 31 Dec 2024	1,089	1,310	158	-	3,167	20	35	5,779
Accumulated Depreciation 2024	(782)	(883)	(120)	-	(1,730)	(4)	-	(3,519)
Carrying amount as at 31 Dec 2024	**307**	**427**	**38**	**-**	**1,437**	**16**	**35**	**2,260**

30. CURRENT TAX ASSETS AND CURRENT TAX LIABILITIES

CZK m	31 Dec 2024	31 Dec 2023
Current tax assets	70	76
Current tax liabilities	47	54

Corporate income tax advances were offset with current income tax payable in the 2023 tax return and the difference was settled with the tax authority in 2024.

31. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is determined based on all temporary and timing differences between the tax residual values of assets and liabilities and their residual book values in the Group's financial statements. Deferred tax is determined using the tax rate enacted by the balance sheet date. The tax rate used also considers the impact of the Windfall tax (relevant only for the Bank). For the determination of deferred tax assets and liabilities as at 31 December 2024, a tax rate of 21% is used (31 December 2023: 21%).

The recognition of deferred tax assets relies on an assessment of the probability and sufficiency of future taxable profits, future reversals of existing taxable temporary differences and ongoing tax planning strategies.

Deferred tax assets and liabilities consist of the following differences:

CZK m	31 Dec 2024	31 Dec 2023
Deferred tax liabilities	**(629)**	**(623)**
Loss allowances for loans and receivables to customers	(112)	(132)
Difference between book value and tax residual value of long-lived assets	(517)	(491)
Deferred tax assets	**160**	**161**
Loss allowances for loans and receivables to customers	4	11
Difference between book value and tax residual value of long-lived assets	54	33
Other temporary variances	102	117
Net deferred tax at the end of period[1)]	**(469)**	**(462)**

1) The Group is offsetting deferred tax asset and deferred tax liability on the subsidiaries level, however, on the consolidated level deferred tax resulting from subsidiaries level is not being offset.

The following table shows the movement of the net deferred tax asset:

CZK m	2024	2023
Net deferred tax at the beginning of period	**(462)**	**(496)**
Change in net deferred tax - total profit or loss impact	**(7)**	**34**
- Loss allowances for loans and receivables to customers	13	(7)
- Difference between book value and tax residual value of long-lived assets	(5)	(23)
- Other temporary variances	(15)	64
Net deferred tax at the end of period	**(469)**	**(462)**

32. OTHER ASSETS

CZK m	31 Dec 2024	31 Dec 2023
Accounts receivable	141	156
Advances and guarantees for rent related services	242	200
Receivables from finance authorities	11	-
Other receivables net of allowances	70	36
out of which: allowances	(28)	(32)
Prepayments	373	299
Other accruals	543	395
Total other assets	**1,380**	**1,086**

33. DUE TO BANKS

The Group has the following liabilities to other banks:

CZK m	31 Dec 2024	31 Dec 2023
Deposits on demand	863	598
Liabilities arising from repurchase agreements[1)]	-	2,531
Cash collateral received[2)]	405	563
Other due to banks[3)]	2,566	1,731
Total due to banks	**3,834**	**5,423**
Type of rate:		
Fixed interest rate	2,566	4,262
Floating interest rate	1,268	1,161

1) For more details about financial assets granted as collateral for liabilities arising from repurchase agreements see note 21.
2) Cash collaterals received represent Credit Support Annex (CSA) collaterals of banks for derivative transactions in the amount of CZK 405 million as at 31 December 2024 (CZK 563 million as at 31 December 2023).
3) Other due to banks comprises loan provided by European Investment Bank ("EIB") in March 2024 to MONETA Money Bank, a.s. This loan amounts to CZK 2,566 million as at 31 December 2024 (2023: loan provided by EIB in January 2021 in amount of CZK 1,731 million as at 31 December 2023).

34. DUE TO CUSTOMERS

Breakdown of due to customers by sector:

CZK m	31 Dec 2024	31 Dec 2023
Financial organisations	791	2,006
Non-financial organisations	56,065	43,824
Insurance organisations	486	655
Government sector	8,869	8,372
Non-profit organisations	15,666	12,141
Entrepreneurs	19,782	17,223
Resident individuals	323,199	312,460
Non-residents	5,163	2,816
Total Due to customers	**430,021**	**399,497**
Rate type:		
Fixed interest rate	83,408	81,475
Floating interest rate[1)]	345,848	317,235
Non-interest-bearing	765	787
Total due to customers	**430,021**	**399,497**

1) This item principally includes client deposits where the Group has the option to reset interest rates and hence, they are not sensitive to interest rate changes. Generally, it is the rate declared by the Group.

Breakdown of due to customers by product is as follows:

CZK m	31 Dec 2024	31 Dec 2023
Retail due to customers	**323,821**	**312,998**
Current accounts	54,839	52,592
Savings accounts and term deposits	243,576	233,612
Building savings	25,406	26,794
Commercial due to customers	**105,531**	**85,809**
Current accounts	53,018	41,624
Savings accounts and term deposits	51,499	43,018
Building savings	1,014	1,167
Cash collateral received	**215**	**270**
Other liabilities towards customers	**454**	**420**
Total due to customers	**430,021**	**399,497**

Unrecognised due to customers:

CZK m	31 Dec 2024	31 Dec 2023
Outstanding amount of investment funds	59,373	38,498

35. PROVISIONS

CZK m	2024	2023
Provisions for undrawn loan commitments[1)]		
1 Jan	**101**	**131**
Additions to provisions	300	301
Use of provisions	-	-
Release of unused provisions	(311)	(331)
31 Dec	**90**	**101**
Other provisions		
1 Jan	**165**	**175**
Additions to provisions	154	134
Use of provisions	(144)	(134)
Release of unused provisions	(2)	(10)
31 Dec	**173**	**165**
Total provisions	**263**	**266**

1) Majority of the balance results from overdraft facilities and working capital and is usually settled up to 1 year.

Provisions for undrawn loan commitments are created for irrevocable loan commitments (refer to note 40).

The Group created other provisions for its legal obligations associated with the retirement of the premises leased for operation, for restructuring, for commissions claw-back and for collection services.

Other provisions

CZK m	31 Dec 2024	31 Dec 2023
Provisions for assets retirement obligation[1)]	34	34
Provisions for restructuring	5	2
Provisions for commissions claw-back[2)]	126	118
Other	8	11
Total other provisions	**173**	**165**

1) Settlement is driven by abandonment of leased property. Lease term of such contracts is shown in note 41.
2) Commission claw-back is applicable over 60 months from origination of the contract.

36. OTHER LIABILITIES

CZK m	31 Dec 2024	31 Dec 2023
Trade payables	206	267
Payables to employees	134	132
Payables for social and health insurance	64	60
Payables to the state	165	219
Accruals for uninvoiced services/ goods	618	513
Accruals for employees bonuses[1)]	405	310
Clearing account of payment settlement[2)]	1,120	621
Deferred income and accrued expenses	40	33
Lease liabilities	1,389	1,501
Other[3)]	275	77
Total other liabilities	**4,416**	**3,733**

1) Accruals for employee bonuses as at 31 December 2024 include bonuses to members of the Management Board under the EVIP policy of CZK 211 million (2023: CZK 148 million) described in note 39 and other management, retention or sales bonuses.
2) Line "Clearing account of payment settlement" comprises especially balances from settlement of card transactions and payments transactions processed via the CNB clearing system. The line may result either as an asset or liability. In the case, the closing balance is an asset, it is recognised within "Other assets".
3) Line "Other" as at 31 December 2024 includes an unsolicited dividend for the years 2021 – 2024 in the amount of CZK 108 million (2023: CZK 2 million).

37. CONSOLIDATION GROUP

The definition of the consolidation group as at 31 December 2024 has not changed compared to the last Consolidated Annual Financial Statements.

Apart from the Bank, the Group's companies included in the consolidation group as at 31 December 2024 together with the ownership were as follows:

31 Dec 2024
CZK m

Name	Registered office	Business activity	Equity as at 31 Dec 2024	Bank's share of equity	Method of consolidation
MONETA Auto, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Auto financing (Providing of loans)	762	100%	Full
MONETA Leasing, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Financing of loans and leasing	181[2)]	100%	Full
MONETA Stavební Spořitelna, a.s.	Vyskočilova 1442/1b, 140 00 Prague 4	Building savings and bridging loans	2,250	100%	Full
CBCB - Czech Banking Credit Bureau, a.s.[1)]	Štětkova 1638/18 140 00 Prague 4	Banking Credit Register	3[2),3)]	20%	Equity

1) The Group holds its share in CBCB - Czech Banking Credit Bureau, a.s. in order to obtain information related to the credit quality of current and potential customers.
2) Equity according to IFRS Accounting Standards - unaudited.
3) Share of equity belonging to the Group.

31 Dec 2023 CZK m					
Name	**Registered office**	**Business activity**	**Equity as at 31 Dec 2023**	**Bank's share of equity**	**Method of consolidation**
MONETA Auto, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Auto financing (Providing of loans)	672	100%	Full
MONETA Leasing, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Financing of loans and leasing	233[2)]	100%	Full
MONETA Stavební Spořitelna, a.s.	Vyskočilova 1442/1b, 140 00 Prague 4	Building savings and bridging loans	2,832	100%	Full
CBCB - Czech Banking Credit Bureau, a.s.[1)]	Štětkova 1638/18 140 00 Prague 4	Banking Credit Register	3[2),3)]	20%	Equity

1) The Group holds its share in CBCB - Czech Banking Credit Bureau, a.s. in order to obtain information related to the credit quality of current and potential customers.
2) Equity according to IFRS Accounting Standards - unaudited.
3) Share of equity belonging to the Group.

38. EQUITY

38.1 SHARE CAPITAL OF THE GROUP

All of the Bank's shares are ordinary freely transferable shares with no special rights or restrictions attached. The ordinary shares carry, among other rights provided for in law and the Bank's Articles of Association, the right to participate in the General Meeting of the Bank through exercising voting rights (with one vote per share) and the right to share in profits. Since 23 November 2015, the registered capital of the Bank had been CZK 511 million, was fully paid up and is presented as "Share capital" in the statement of financial position. On 11 April 2016, 511 ordinary registered book-entry shares in the Bank with a par value of CZK 1,000,000 each were split into 511,000,000 fully paid ordinary registered book-entry shares with a par value of CZK 1.00 each.

On 26 November 2019 the increase in the registered share capital was approved by shareholders of the Bank at the General Meeting and was accomplished exclusively through the increase of the nominal value of the shares from the original nominal value of CZK 1.00 to CZK 20.00. The registered share capital currently consists of 511,000,000 fully paid ordinary registered book-entry shares with a par value of CZK 20.00 each.

Since then, the Bank has not issued any ordinary or other shares. The Group did not acquire any of its own shares.

The latest available list of entities recorded in the registry of book-entry shares of the Bank kept by the Central Securities Depository Prague (Centrální depozitář cenných papírů, a.s.) with a shareholding interest of more than 1% of the Bank's registered share capital is available in the investor relations section of the Bank's website at: https://investors.moneta.cz/shares. Such entities may not necessarily be the beneficial shareholders of the Bank but may hold shares of the Bank for the beneficial shareholders (as securities brokers, banks, custodians or nominees).

Please refer to chapter 1.4 of the Annual financial report to the section "Shareholder structure" for the information on the shareholder structure of the Bank as at 31 December 2024. As far as the Bank is aware, no shareholder was a controlling entity of the Bank as at 31 December 2024.

Overview of related parties holding shares of the Bank as at 31 December 2024:

	31 Dec 2024		31 Dec 2023	
Shareholder	**Number of shares**	**Ownership in %**	**Number of shares**	**Ownership in %**
Tanemo a.s., Entity with significant influence on MONETA	153,000,000	29.941%	153,000,000	29.941%
Tomáš Spurný, Chairman of the Management Board	304,839	0.060%	304,839	0.060%
Jan Friček, Member of the Management Board	35,000	0.007%	35,000	0.007%
Jan Novotný, Member of the Management Board	23,300	0.005%	23,300	0.005%
Carl Normann Vökt, Vice-Chairman of the Board	35,025	0.007%	25,122	0.005%
Tatiana Eichler, closely related to the Chairman of the Supervisory Board	100,000	0.020%	100,000	0.020%

Mr. Michal Petrman's four-year term of office in the Bank's Supervisory Board and Audit Committee expired in September 2024 and therefore he was not a related party as at 31 December 2024.

No other related person or other related party with a relationship to the Bank held any shares of the Bank as at 31 December 2024 or 31 December 2023.

38.2 STATUTORY RESERVE AND RESERVE FROM REVALUATION OF FINANCIAL ASSETS OF THE GROUP

Statutory reserve

The reserve fund stood at CZK 102 million as at 31 December 2024 (31 December 2023: CZK 102 million) represents Legal and statutory reserve of MONETA Money Bank, a.s.

Reserve from revaluation of FVTOCI (presented in "Other reserves")

CZK m	Debt instruments	Equity instruments	Deferred Tax	Total
1 Jan 2024	**-**	**1**	**-**	**1**
Gains and losses in the period recognised in the income statement	-	-	-	-
Gains and losses in the period recognised in Reserve from revaluation of FVTOCI	-	-	-	-
31 Dec 2024	**-**	**1**	**-**	**1**

CZK m	Debt instruments	Equity instruments	Deferred Tax	Total
1 Jan 2023	**-**	**1**	**-**	**1**
Gains and losses in the period recognised in the income statement	-	-	-	-
Gains and losses in the period recognised in Reserve from revaluation of FVTOCI	-	-	-	-
31 Dec 2023	**-**	**1**	**-**	**1**

38.3 DIVIDENDS PER SHARE

The following table shows dividends per share paid to owners:

CZK	2024	2023
Paid dividends per share within period	12.00[1)]	8.00

1) The General Meeting held on 23 April 2024 approved the dividend payment of CZK 9 per share which was paid on 21 May 2024. The General Meeting held on 19 November 2024 approved the dividend payment of CZK 3 per share which was paid on 17 December 2024.

On 31 January 2025, the Bank's Management Board announced that it will propose to shareholders a dividend for the year 2024 in the amount of CZK 10 per share for approval at the Annual General Meeting, which will be held on 24 April 2025. The total amount of the distributed dividend will reach CZK 5,110 million.

39. BONUSES TIED TO THE EQUITY

Executive Variable Incentive Plan (EVIP)

In 2017, the variable remuneration programme Executive Variable Incentive Plan (EVIP) was introduced for the Management Board members and other Material Risk Takers. Since 2024, an integral part of this programme is also the EVIP Executive Long-Term Premium Award for the Management Board members, which is derived from the fulfilment of mid-term financial targets set as part of the three-year mid-term guidance which is defined and published at the beginning of the three-year evaluation cycle. The first award granted in 2024 was based on the financial performance for the years 2021, 2022, and 2023, evaluated against the mid-term guidance published on 5 February 2021.

The total balance of accrual for EVIP disclosed in "Other liabilities" as at 31 December 2024 is CZK 211 million (31 December 2023: CZK 147.7 million), of which CZK 106.4 million (31 December 2023: CZK 63.1 million) relates to cash settled share-based payment remuneration that will be paid in the following years in three to five cash instalments as defined in EVIP conditions regardless of potential termination of the membership of the Management Board. This variable part of EVIP bonuses is tied to the total shareholder return (TSR), hence the amount paid will vary according to changes in the market price of the Bank's shares and profit distributions of the Bank (dividend paid).

For more details about EVIP (esp. total awarded and paid rewards from 2020 to 2024), please refer to the Remuneration Report 2024 (remuneration documents have been published and are available on the investors website in the Remuneration section at https://investors.moneta.cz/corporate-documents).

40. CONTINGENT LIABILITIES

40.1 LOAN COMMITMENTS AND ISSUED GUARANTEES

CZK m	31 Dec 2024	31 Dec 2023
Loan commitment	24,695	23,903
Issued guarantees	1,186	864
Credit limits on issued guarantees[1)]	1,387	1,372
Issued letter of credit	8	5
Total loan commitments and issued guarantees - gross carrying value	**27,276**	**26,144**
Provisions to expected credit losses	(104)	(115)
Total loan commitments and issued guarantees – net carrying value	**27,172**	**26,029**

1) This line represents committed limits on guarantees that can be withdrawn by customers.

40.2 LEGAL DISPUTES

The Group is not a party of any significant legal disputes.

41. LEASES

The Group as a Lessee

The major lease contracts of the Group are leases of administrative premises in Prague, Ostrava, leases of branches' premises and space for ATM's across the Czech Republic.

The Group determines the lease term as specified in the contract (for definite period leases) or the best estimate made by management (for all other contracts) based on historical experience and branch management strategy. The Group assesses the lease term at commencement date and reassesses it on annual basis or if there is a significant event or significant change in circumstances or branch management strategy.

The lease payments vary with the location of premises and are payable either in CZK or EUR. Some of the leases are indexed annually, depending on development of inflation.

The Group leases IT equipment, ATMs and advertising spaces, which are expected to be closed within 12 months. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Movement of Right-of-use resulting from leases for which the Group is a lessee is presented below:

CZK m	Buildings	Space under ATMs	Parking place	IT Hardware	Total
Balance at 1 January 2024	**1,507**	**61**	**16**	**-**	**1,584**
Depreciation charge for the year	(291)	(19)	(4)	(4)	(318)
Additions and modifications to right-of-use assets	165	3	2	20	190
Derecognition of right-of-use assets	(2)	(1)	-	-	(3)
Balance at 31 December 2024	**1,379**	**44**	**14**	**16**	**1,453**

CZK m	Buildings	Space under ATMs	Parking place	IT Hardware	Total
Balance at 1 January 2023	**1,372**	**67**	**15**	**-**	**1,454**
Depreciation charge for the year	(295)	(20)	(4)	-	(319)
Additions and modifications to right-of-use assets	459[1)]	15	7	-	481
Derecognition of right-of-use assets	(29)	(1)	(2)	-	(32)
Balance at 31 December 2023	**1,507**	**61**	**16**	**-**	**1,584**

1) The increase in 2023 is driven by the extension of the lease term of the Prague Headquarters building by 2 years.

Information about lease term of particular leased assets categories are presented below:

31 Dec 2024 CZK m	Right-of-use	Minimum lease term (in months)	Maximum lease term (in months)
Buildings	1,379	31	168
Space under ATMs	44	18	112
Parking place	14	15	168
IT Hardware[1)]	16	60	60
Total	**1,453**		

1) In 2024, the Group has entered into a new lease contract of IT infrastructure assets.

31 Dec 2023 CZK m	Right-of-use	Minimum lease term (in months)	Maximum lease term (in months)
Buildings	1,507	23	145
Space under ATMs	61	8	97
Parking place	16	15	142
IT Hardware	-	-	-
Total	**1,584**		

Minimum lease payments reconciliation:

CZK m	
Minimum lease payments under all leases as at 31 December 2024	1,509
Recognition exemption for short-term and low-value leases	18
Effect from discounting at the incremental borrowing rate[1)]	(120)
Liabilities from leases as at 31 December 2024	**1,389**

1) The weighted average of the borrowing rate used for discounting lease liabilities for 2024 is 2.87% (2023: 2.71%) for contracts denominated in CZK and 3.78% (2023: 3.76%) for contracts denominated in EUR.

CZK m	
Minimum lease payments under all leases as at 31 December 2023	1,643
Recognition exemption for short-term and low-value leases	25
Effect from discounting at the incremental borrowing rate[1)]	(142)
Liabilities from leases as at 31 December 2023	**1,501**

1) The weighted average of the borrowing rate used for discounting lease liabilities for 2024 is 2.87% (2023: 2.71%) for contracts denominated in CZK and 3.78% (2023: 3.76%) for contracts denominated in EUR.

There were no leases with residual value guarantees or leases not yet commenced to which the Group is committed.

Some property leases contain early termination or extension option exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

A maturity analysis of lease liabilities:

CZK m	
Total cash outflow for leases[1)] in 2024 (as at 31 December 2024)	359
Future expected cash outflows - undiscounted	1,509
out of which: less than one year	339
out of which: between one and three years	578
out of which: more than three years	592
Effect from discounting at the incremental borrowing rate	(120)
Total lease liabilities as at 31 December 2024	**1,389**

1) The figure also includes interest payment of CZK 49 million (2023: CZK 27 million).

CZK m	
Total cash outflow for leases in 2023 (as at 31 December 2023)	325
Future expected cash outflows - undiscounted	1,643
out of which: less than one year	322
out of which: between one and three years	553
out of which: more than three years	768
Effect from discounting at the incremental borrowing rate	(142)
Total lease liabilities as at 31 December 2023	**1,501**

Finance leases – the Group as a Lessor

Minimum Lease Payments – Finance leases

CZK m	31 Dec 2024	31 Dec 2023
No later than one year	71	172
Between one and two years	31	66
Between two and three years	16	33
Between three and four years	7	15
Between four and five years	5	7
Later than five years	5	10
Total minimum lease payments	**135**	**303**
Less unearned interest income	(9)	(14)
Present value of lease receivable	**126**	**289**
Less allowances for credit losses	(8)	(14)
Carrying value of lease receivable	**118**	**275**

The carrying value of lease receivable is presented under “Loans and receivables to customers” in the consolidated statement of financial position.

The Group mainly leases machinery, vehicles and equipment to SMEs or entrepreneurs with typical lease term between 3 and 6 years.

Operating leases - The Group as a Lessor

Operating leases are represented by sub-lease of part of HQ building in Prague.

Minimum Lease Payments - Operating leases

CZK m	31 Dec 2024	31 Dec 2023
No later than one year	25	-
Between one and two years	-	-
Between two and three years	-	-
Between three and four years	-	-
Between four and five years	-	-
Later than five years	-	-
Total minimum lease payments	**25**	**-**

42. TRANSACTIONS WITH RELATED PARTIES

The Group's related parties include entities with significant influence on MONETA, associates, key management personnel, Supervisory Board and their close family members.

Transactions provided by the Group to related parties represent bank services (esp. loans and interest-bearing deposits); expenses from transactions with related parties comprise remuneration to members of the Supervisory Board, Management Board and other Key Executive Managers.

Transactions with related parties are carried out in the normal course of business operations and conducted under normal market conditions. The balances at year-end are unsecured.

Transactions with related parties:

2024 CZK m	Related parties with significant influence on MONETA	Associates	Key members of the management[1] and Supervisory Board	Total
Statement of financial position				
Loans and receivables to customers	-	-	38	38
Derivative financial instruments with positive fair values	42	-	-	42
Hedging derivatives with positive fair values	294	-	-	294
Due to customers	41	-	31	72
Due to banks	11	-	-	11
Derivative financial instruments with negative fair values	49	-	-	49
Hedging derivatives with negative fair values	271	-	-	271
Statement of profit or loss				
Interest and similar income	128	-	-	128
Interest expense and similar charges	(35)	-	-	(35)
Fee and commission income	8	-	-	8
Fee and commission expense	(4)	-	-	(4)
Net income from financial operations	69	3	-	72
Operating expenses	(44)[2]	(21)	(134)	(199)
Dividend income	-	-	-	-

1) Includes members of the Management Board and other Key Executive Managers.
2) Comprises mainly telecommunication services.

2023 CZK m	Related parties with significant influence on MONETA	Associates	Key members of the management[1] and Supervisory Board	Total
Statement of financial position				
Loans and receivables to customers	-	-	37	37
Derivative financial instruments with positive fair values	41	-	-	41
Hedging derivatives with positive fair values	317	-	-	317
Due to customers	30	-	20	50
Due to banks	289	-	-	289
Derivative financial instruments with negative fair values	47	-	-	47
Hedging derivatives with negative fair values	335	-	-	335
Statement of profit or loss				
Interest and similar income	251	-	-	251
Interest expense and similar charges	(32)	-	-	(32)
Fee and commission income	6	-	-	6
Fee and commission expense	(11)	-	-	(11)
Net income from financial operations	(470)	-	-	(470)
Operating expenses	(48)[2]	(24)	(124)	(196)
Dividend income	-	3	-	3

1) Includes members of the Management Board and other Key Executive Managers.
2) Comprises mainly telecommunication services.

The line "Operating expenses" from transactions with key members of the management and Supervisory Board includes fixed remuneration paid and variable remuneration recognised to members of the Management Board, Supervisory Board and other Key Executive Managers during the year.

Tanemo a.s., a subsidiary of PPF Group, became a related party with significant influence on MONETA in 2021, thus transactions with entities from PPF Group are considered as related parties transactions in 2024 and 2023.

42.1 REMUNERATION TO MEMBERS OF SUPERVISORY BOARD, MANAGEMENT BOARD AND OTHER KEY EXECUTIVE MANAGERS

The following remuneration was paid to the key members of the management and Supervisory Board during the year:

CZK m	2024	2023
Short-term employee benefits, including:	**101**	**97**
Members of the Management Board and Other Key Executive Managers	89	85
Members of the Supervisory Board	12	12
Other long-term employee benefits, including:	**33**	**27**
Members of the Management Board and Other Key Executive Managers	33	27
Total remuneration	**134**	**124**

This table shows salaries, compensation and other benefits that have been paid to members of the Management Board, Supervisory Board, Audit Committee and other Key Executive Managers during the year. It also includes long-term benefits paid during the year that were granted in previous years. With respect to the immaterial effect of the time value of money, liabilities resulting from long-term benefits are not being discounted.

43. SEGMENT REPORTING

The segment reporting is prepared in accordance with IFRS 8 Operating segments.

Operating segments are reported in a manner consistent with reporting to the Management Board and other Key Executive Managers who are responsible for allocating resources and assessing performance of operating segments.

The Group's operating segments are the following: Commercial, Retail, Other/Treasury.

The Commercial segment consists of deposits, investment loans, revolving products, financing of real estate and other services related to transactions with small and medium-sized enterprises, corporate clients, financial institutions, and public sector institutions. Services are provided through the branch network or online channels.

The Retail segment focuses on deposits, loans, revolving products, credit cards, mortgages, building savings and other transactions with retail customers. Retail customers are comprised of private individuals, the Group's employees and employees of Group's partners. This segment provides services to citizens through the branch network or online channels.

The Other/Treasury segment provides primarily the treasury function. The focus of this segment is on foreign exchange transactions, interest rate swaps, investment in debt securities, equity investments, other non–interest-bearing assets and other operations that cannot be associated with the above-mentioned segments.

The Group has no client or economic group for which the proceeds of realised transactions exceeded 10% of the income of the Group (except the Czech National Bank which is not considered as a separate segment). The segment reported revenues, below, represent only revenues realised with external customers.

The Group uses transfer prices between segments where treasury income and expenses are allocated based on actual interest rates conditions. This allocation process aims to provide a fair representation of the contribution of each segment to the overall profitability of net interest income.

Interest income and interest expense are reported on net basis within the line "Net interest income" as this indicator is regularly reported to the management. Management board allocates the resources among segments on the basis of net interest income achieved by particular segment.

The Group's income is generated within the territory of the Czech Republic.

CZK m	Commercial	Retail	Other/ Treasury	Total
2024				
Net interest income	3,852	5,097	(30)	8,919
Net fee and commission income	686	2,405	(31)	3,060
Dividend income	-	-	-	-
Net income from financial operations	216	540	104	860
Other operating income	24	48	-	72
Total operating income	**4,778**	**8,090**	**43**	**12,911**
Net impairment of financial assets	(16)	(370)	-	(386)
Total operating income after net impairment of financial assets	**4,762**	**7,720**	**43**	**12,525**
Total operating expenses				**(5,722)**
Profit for the year before tax				**6,803**
Taxes on income				(995)
Profit for the year after tax				**5,808**
Net value of loans and receivables to customers	**92,564**	**182,819**	**-**	**275,383**
Total customer deposits	**105,784**	**324,022**	**-**	**429,806**

CZK m	Commercial	Retail	Other/ Treasury	Total
2023				
Net interest income	3,138	5,449	(10)	8,577
Net fee and commission income	610	2,042	(28)	2,624
Dividend income	-	-	3	3
Net income from financial operations	210	519	160	889
Other operating income	17	37	-	54
Total operating income	**3,975**	**8,047**	**125**	**12,147**
Net impairment of financial assets	(160)	(145)	-	(305)
Total operating income after net impairment of financial assets	**3,815**	**7,902**	**125**	**11,842**
Total operating expenses				**(5,730)**
Profit for the year before tax				**6,112**
Taxes on income				(912)
Profit for the year after tax				**5,200**
Net value of loans and receivables to customers	**83,819**	**179,245**	**-**	**263,064**
Total customer deposits	**86,068**	**313,159**	**-**	**399,227**

44. RISK MANAGEMENT

The Group aims to achieve competitive returns at an acceptable risk level as part of its business activities. Risk management covers the control of risks associated with all business activities in the environment in which the Group operates and ensures that the risks taken are in compliance with regulatory limits, as well as falling within its risk appetite.

When managing risks, the Group relies on three pillars:

- people (the qualifications and experience of its employees);
- risk governance (including well-defined information flows, processes, model governance and responsibilities); and
- risk data (including the use of sophisticated analytical instruments and technologies).

This combination has supported the Group's success and the stability of its economic results.

The Group's risk management processes are underpinned by advanced analytics based on an enterprise-wide data warehouse and centralised underwriting process. This allows the Group to price on a risk basis, according to its in-house scoring and rating models.

The level of risk is measured in terms of its impact on the value of assets and/or capital as well as on the profitability of the Group. To determine this, the Group evaluates potential effects on its business of changes in political, economic, market and operational conditions, as well as changes in clients' creditworthiness.

The Bank provides centralised risk management for the Group wherever possible and practical. It does this primarily through outsourcing or by providing methodology guidance to other Group members.

44.1 CAPITAL MANAGEMENT

The framework used for capital management involves monitoring and complying with the capital adequacy limit in accordance with the Basel III rules codified in Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended (hereafter "CRR"), Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended (hereafter "CRD"), and Directive (EU) 2014/59 of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (hereafter "BRRD"), and their implementing measures. This European regulatory framework was significantly amended in 2024 with effectivity from 1 January 2025. Furthermore, from a local perspective, the regulatory framework is given mainly by Banking Act No. 21/1992 Coll., as amended, the CNB Decree No. 163/2014 Coll., as amended, and Act No. 374/2015 Coll., on recovery and resolution in the financial market, as amended.

On a consolidated basis, the Group manages its capital in order to meet the regulatory capital adequacy requirements prescribed in the abovementioned regulations and allow the Group to continue its operations on a going concern basis while maximising the return to shareholders through the optimisation of the Debt-to-Equity Ratio.

The minimum regulatory capital requirement (Pillar I) is equal to 8% of risk-weighted assets. Additionally, in 2024, the Bank was obliged to maintain on a consolidated basis the Pillar II capital requirement in the amount of 2.3% (from 1 January 2024). The Bank and Building Savings Bank were also obliged to maintain a mandatory capital conservation buffer of 2.5% and a countercyclical capital buffer (of 2% from 1 January 2024, 1.75% from 1 April 2024 and 1.25% from 1 July 2024) that were applied for the whole Czech banking sector. Therefore, the overall minimum regulatory capital requirement for the Bank and Building Savings Bank on an individual basis was 11.75% and for the Bank on a consolidated basis 14.05% as at 31 December 2024. From 1 January 2025, the Bank is obliged to maintain the Pillar II capital requirement on a consolidated basis in the amount of 2%. In addition, the Czech National Bank decided to set the systemic risk buffer at 0.5% effective from 1 January 2025, which means the overall minimum regulatory capital requirement for the Bank on a consolidated basis increased to 14.25% from 1 January 2025.

The Group decided to maintain as a target a capital adequacy ratio at one percentage point above the overall regulatory minimum capital requirement both on an individual and a consolidated basis. This internal target is subject to an ongoing re-assessment by the Management Board of the Bank based on business results, regulatory changes and development needs.

According to the Recovery and Resolution Act implementing BRRD, banks in the Czech Republic must comply with the Minimum Requirement for Own Funds and Eligible Liabilities (hereafter "MREL"). In 2024, the Bank had to fulfil the MREL requirement on an individual basis of 17.2% of its total risk exposure and 4.92% (from 1 January 2024) and 5.04% (from 26 March 2024) respectively, of its total exposure. The MREL requirement is applied for the Bank only on the individual level and no MREL requirement has been applied for the Building Savings Bank.

To calculate the regulatory capital requirement for credit risk, both on an individual and a consolidated basis, the Bank and the Building Savings Bank use the standardised approach. To calculate the capital requirement for operational risk, both on an individual and a consolidated basis, the Bank and the Building Savings Bank use the standardised method. The Group has calculated regulatory capital requirements against market risk of the Trading book since 3Q 2018.

In addition to the Pillar I and to ensure a robust capital management framework, the Group performs under the Pillar II a calculation of internal capital requirements, regular capital planning and stress testing. To calculate the internal capital requirement, the Group applied methods similar to advanced approaches according to regulatory the Pillar I on a probability level at least 99.9%.

The Group creates a mid-term capital outlook on a regular basis which predicts capital adequacy based on the predicted development of external environment, financial markets and the Group's

portfolio characteristics. Next to the base capital plan, the Group assesses the capital position under several stress scenarios. These are usually based on a worsening of the macroeconomic environment and key risks, which are identified during the Pillar II workshop with members of the Bank's Management Board, selected senior managers of the Bank and key Executive representatives of subsidiaries.

The Group's capital on a consolidated basis primarily consists of share capital, share premium and unallocated profit from prior years that is the highest quality Common Equity Tier 1 capital, and issued Tier 2 capital. The Group incorporates into Common Equity Tier 1 capital periodically (subject to permissions from the CNB) portion of its quarterly net profit lowered by expected dividend payments.

The Group met all regulatory requirements regarding capital adequacy on an individual and a consolidated basis in 2024.

Regulatory capital on a consolidated basis and its components:

CZK m	31 Dec 2024	31 Dec 2023
Common Equity Tier 1 capital CET 1		
Subscribed share capital	10,220	10,220
Share premium	-	-
Statutory reserve and Retained earnings including eligible profit for the year	16,548	17,383
Reserve from revaluation of FVTOCI	1	1
Items deductible from Tier 1 capital	(1,678)	(1,270)
Tier 2 capital		
Qualifying subordinated liabilities	6,557	7,249
Total Regulatory Capital	**31,648**	**33,583**

44.2 CREDIT RISK

Credit risk is the risk of loss for a party resulting from the failure of a counterparty to meet its obligations arising from the terms and conditions of the contract under which the party became the creditor of this counterparty. The Group is exposed to credit risk in particular in the case of credits granted, unallowed debits, guarantees provided, letters of credit issued, bonds purchased, derivatives and interbank deals.

The Group continues to improve its analytical processes for quantifying the impact of climate change risk on overall portfolio credit risk. So far, the results have not indicated any impact on expected credit losses.

44.2.1 Credit Risk Management

Credit risk management is organised along the following approval processes:

Individually-managed exposures represent exposures to entrepreneurs and SMEs where loans and lines of credit are approved based on an individual assessment of the borrower's creditworthiness in connection with the loan size.

Portfolio-managed exposures include exposures to natural persons, natural persons acting as entrepreneurs, and SMEs where loans and lines of credit are approved using an automated credit scoring process. Mortgages, bridging loans and building savings loans have a specific position as these form a part of the retail exposures (usually portfolio managed) but a number of the processes and methods used fall within the category of individually-managed exposures.

The exposures to counterparties on the financial markets include the exposures to financial institutions and governments. These exposures primarily arise as a part of liquidity management and market risk management. Transactions on financial markets are performed only by the Bank and the Building Savings Bank. Other companies in the Group have only insignificant receivables to banks in respect of current account balances. The credit risk of these exposures is managed through limits to countries and counterparties approved mainly based on external ratings. In 2024, the Bank started to clear selected OTC derivative contracts with central counterparties.

Individually-managed exposures

(a) Internal Rating

The Group uses internal statistical and expert judgement-based rating models, which use the most recent available qualitative and quantitative information to estimate the probability that a commercial borrower will default in the following 12 months. The rating calculation is based on an assessment of financial, behavioural, quantitative and qualitative information about the customer's business. The rating models assign an obligor rating (OR) grade from zero to twenty-one to borrowers that are not in default. Borrowers in default are given the internal rating grade twenty-two (OR22). External ratings are also calibrated to the OR scale. The 23 ORs and their associated default probabilities representing the rating grade:

- OR 0 to 5: 0% to 0.07%;
- OR 6 to 10: 0.08% to 0.39%;
- OR 11 to 15: 0.59% to 3.03%;
- OR 16 to 21: 4.55% to 35.00%;
- OR 22: 100%.

For the clients with double entry book-keeping and yearly turnover above predefined threshold, the internal statistical rating model estimating level of credit risk based on customer's financials is extended with an expert judgement-based qualitative and ESG module. The qualitative module considers qualitative criteria such as evaluation of the company owner, management, market position, product, supplier/ customers, chain, etc. ESG module considers the impact of environmental, social and governance factors to the credit risk. The outputs from these modules modify the rating derived from the internal statistical rating model.

For commercial real estate ("CRE") clients, the Bank uses an expert judgement-based model considering project information, sponsor track record, risk associated with the construction and the location of the project. The rating grades assigned by the model cover only a subset of the abovementioned OR scale.

For commercial clients, the Building Savings Bank uses the internal rating model based on external rating provided by CRIF – Czech Credit Bureau, a.s., which is based on the client's financial and non-financial information. The model output is calibrated to a subset of the rating grades presented above.

In order to ensure methodological and factual accuracy, models are monitored on a regular basis. Internal rating is used inter alia for the definition of approval authorities and categorisation (see note 44.2.2).

(b) Underwriting

The approval process is based on an individual evaluation of a borrower and is executed at the Bank for products of the Bank, MONETA Auto and MONETA Leasing. Exposures of the Building Savings Bank are approved by it provided that exposures exceeding certain level require prior consent of the Bank. Approval authorities are set on an individual basis and are determined by combining the level of exposure, the borrower's internal rating, maturity, product and collateral.

As part of the approval process, the Group assesses the financial situation of the prospective borrower, the persons economically related to the borrower and the collateral being offered using internal and external data sources, including credit registers.

The implemented IT solutions support the process of SME credit approval and administration facilitating the preparation of credit applications, linking them with data warehouses, document storage and the subsequent production of contract documentation. The system enables access to financial analysis tools including internal ratings.

(c) Monitoring and Reporting

All SME clients are monitored both individually and on a portfolio basis.

Reports on the quality of the commercial portfolio across the Group are discussed monthly by the Credit Committee (CRCO) and relevant parts by the Management Board of the Building Savings Bank.

Individually-managed exposures above a certain threshold are also subject to at least a yearly credit review, which follows the approval process similar to new exposures.

(d) Collection

The Group manages the Group's loans where recoverability of the exposure is not reasonably assured with the aim of achieving maximum recovery. The Group engages affected borrowers with a view to recovering the Group's exposure. This may involve taking legal action against the borrower, restructuring the loans, taking relevant legal steps to realise collateral, debt sale or representing the Group in insolvency proceedings. The Group also uses the assistance of external agencies in collecting their receivables.

The Bank is in charge of the collection process for individually managed exposures of the Group and decides on collection activities in MONETA Auto and MONETA Leasing. Collection activities toward third parties are always executed by collection departments of a particular entity.

Portfolio-managed exposures

(a) Scoring Instruments

When approving and monitoring portfolio-managed exposures, internal scoring models are used. These statistical models classify individual borrowers into categories of homogeneous exposures using socio-demographic and behavioural data as well as information from the credit bureau. The calculated score for the commercial portfolio-managed exposures is, similarly to individually managed exposures, mapped to the OR scale. The calculated score for retail portfolio-managed performing exposures is grouped into five credit rating (CR) grades with associated OR grades and bands of probabilities of default in the following 12 months as outlined below:

- CR1: OR 13 and better (1.3% and lower);
- CR2: OR 14–OR 15 (1.3% to 3.2%);
- CR3: OR 16–OR 17 (3.2% to 7.7%);
- CR4: OR 18–OR 19 (7.7% to 15.8%);
- CR5: OR 20–OR 22 (15.8% and greater).

In order to ensure methodological and factual accuracy, models are monitored on a regular basis.

(b) Underwriting

The approval process is based on the use of internally or externally developed scoring models and access to external data sources (in particular credit registers). Approval strategies for the Bank and MONETA Auto are set by the Bank and for the Building Savings Bank by the Building Savings Bank.

The Bank underwriters may approve individual exposures that do not pass the automatic approval process. For auto financing products, more than 50% of loans are approved automatically, the rest of the approvals is supplemented with individual assessment.

Mortgages, bridging loans and building savings loans are mostly approved based on an individual assessment of the prospective borrower supported by input from internally-developed or external scoring models with approval required from an authorised underwriter from the respective entity (the Bank or the Building Savings Bank).

(c) Monitoring and Reporting

The Group regularly monitors segments of the portfolio managed exposures, which are reported monthly to the Credit Committee (CRCO) and relevant parts also to the Management Board of the Building Savings Bank and quarterly to the Supervisory Boards of the Bank's subsidiaries.

(d) Collection

The Group has a comprehensive collection process which includes an automated collection system. The Group optimises its overall recovery capacity and performance by using external capabilities (collection agencies and law offices) as well as debt sales of non-performing receivables usually within 24 months after the default.

The Bank is in charge of the collection process for portfolio managed exposures of the Group and decides on collection activities in MONETA Auto. Collection activities toward third parties are always executed by collection departments of a particular entity.

Within the collection process, the portfolio approach is taken for all Retail customers and Small Business customers in the early collections process (the Bank, the Building Savings Bank and MONETA Auto) and for all unsecured exposures in the pre-legal and legal collections process (the Bank, the Building Savings Bank and MONETA Auto). The individual approach is taken for mortgages and other secured exposures in the pre-legal and legal process (the Bank and the Building Savings Bank).

Counterparties in the Financial Market

(a) External Rating

The main tool for measuring the credit risk of countries and counterparties (financial institutions and governments) with respect to transactions in financial markets is the rating set by international rating agencies: Standard & Poor's, Moody's and Fitch. The Group sets individual limits for individual countries and counterparties for which it requires a minimum short-term rating of A-1/P-1/F1 (exceptions must be properly approved).

(b) Approval Process

The Bank decides on maximum limits to countries and counterparties and their allocation among the Group's entities. The approval of limits is based on an individual assessment with approval required from the Chief Risk Officer (CRO) or an authorised approver from the Bank. The approval levels are determined individually and are based primarily on the combination of the limit, external rating, maturity and product. In selected cases, the prior approval of the Credit Committee (CRCO) is required. The Building Savings Bank decides on its limits in the framework approved by the Bank. Decision-making body is the Management Board, which may delegate the approval authority to the CRO.

(c) Monitoring and Reporting

All counterparties and countries with a determined limit are monitored individually. The subject of the monitoring is primarily the external rating. Remedial measures (in particular a decrease/cancellation of the limit, categorisation of receivables) are approved by an authorised approver from the Bank.

The Bank and Building Savings Bank monitor compliance with respective limits. Any breach of limits is escalated to the respective Senior Manager Treasury and CRO. In addition, breaches over a certain level are escalated also to the members of the respective Asset & Liability Committee (ALCO).

44.2.2 Categorisation of Exposures

The Group assigns exposures to individual categories in compliance with CNB Decree No. 163/2014 Coll. The categorisation is used mainly for regulatory reporting and calculation of loan loss allowances. The categorisation is as follows:

- exposures without borrower default are classified as performing;

- exposures where the borrower has defaulted are classified as non-performing.

A default of a borrower is recognised if, given the borrower's financial and economic situation, full repayment of exposures toward such a borrower is unlikely. This definition is in line with the definition of default according to EBA guidelines on the application of the definition of default under Article 178 of Regulation (EU) No. 575/2013 (EBA/GL/2016/07). The Group considers a borrower to be in default mainly if:

- the material part of principal, interest or fees of borrower's exposure is more than 90 days past due;
- any material exposure was restructured or categorised as non-performing forborne in past 12 months due to a deterioration in the borrower's financial situation;
- the borrower's internal rating is OR 22;
- a competent court has issued a decision on settling the borrower's bankruptcy via a discharge from debts or reorganisation;
- a borrower is subject to bankruptcy or settlement proceedings.

44.2.3 Collateral Assessment

The Group determines the nature and extent of collateral that is required either by individually assessing a prospective borrower's creditworthiness or as an integral part of the given credit product. The Group considers the following types of collateral acceptable for mitigating the credit risk on a loan or line of credit:

- cash/deposits;
- securities;
- account receivables;
- bank guarantees;
- guarantee of a reliable third party;
- insurance;
- real estate properties; and
- movable assets (machinery, equipment, breeding stock).

For mortgages, bridging loans and building savings loans (if secured) primarily real estate collateral is used, for Auto loans and financial leases mainly movable assets are used as collateral, for commercial loans all types of collateral may be used. Retail consumer loans, credit cards and overdrafts are unsecured.

To determine the realisable value of a collateral, the Group uses internal and external expert appraisals. Internal appraisals are processed by the AML & Collateral Management department of the Bank's Risk Management Division, which is a department operating independently of the Group's sales and underwriting departments. The ultimate realisable value of the collateral is then set by applying collateral acceptance ratios reflecting the Group's ability to realise the collateral in case of default. Maximum values of collateral acceptance ratios are approved by the Credit Committee (CRCO).

In determining the realisable value, MONETA Leasing uses a discount on the acquisition cost derived from model depreciation curves (describing the relation between fair value as a percentage of acquisition cost and time) for individual asset classes. Curves are reassessed regularly and approved by the Credit Committee (CRCO).

Vehicles securing MONETA Auto car financing exposures are valuated according to either the purchase price (new cars) or the market prices derived from external sources (used cars, new cars). For reporting purposes, these exposures are treated as unsecured.

44.2.4 Allowances Calculation

Allowances for credit losses are determined using an expected credit loss approach as required under IFRS 9.

The measurement of expected credit losses and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

To calculate allowances, the portfolio is divided into three Stages and POCI (Purchased or Originated as Credit Impaired). The portfolio is further segmented into commercial and retail exposures by product. POCI includes exposures of the Acquired entities which were non-performing at the time of acquisition as well as exposures originated as credit impaired. These represent modified financial assets where material concessions were granted to obligors in default. Exposures which do not qualify for POCI are assigned to Stage 1, Stage 2 or Stage 3. Non-performing exposures belong to Stage 3. Performing exposures are assigned to Stage 2 when a significant increase in credit risk (SICR) occurred compared to their origination. Exposures that are not assigned to Stage 3 or 2 belong to Stage 1.

The Group considers mainly the following situations as SICR:

- customer's days past due are higher than 30; or
- qualitative criteria including behavioural risk indicators suggest deterioration in credit risk; or
- absolute remaining lifetime probability of default (PD) at reporting date is higher than the specified threshold and any of the following conditions is met:
  1. the relative change of the absolute and annualised remaining lifetime PD at reporting

compared to origination is higher than the specified relative threshold;
2. the absolute increase of the absolute remaining lifetime PD at reporting compared to origination is higher than the specified absolute threshold. The thresholds are set by the Group.

The Group estimates a 12-month expected credit loss (ECL) for Stage 1 exposures and lifetime expected credit loss for Stage 2, Stage 3 and POCI. The Group also uses multiple macroeconomic forecasts for estimation of future losses, thus the future development of macroeconomic variables is reflected in risk parameters. The sensitivity of the ECL model is differentiated across the portfolio segments with a sufficient level of homogeneity in relation to the underlying credit risk. The main factors influencing the level of ECL are unemployment rate and rate of GDP growth. The Group uses three macroeconomic scenarios derived from the base macroeconomic trajectory with assigned probabilities: optimistic (25%), base (50%) and adverse (25%).

The calculation of allowances is based on statistical models. These models are used for the calculation of the probability of default (PD), loss given default (LGD), exposure at default (EAD) and the cure rate (CR). Loan loss allowances for some non-performing commercial individually managed exposures are set individually based on expected discounted cash flows. In situations where the statistical models used for the calculation of allowances do not sufficiently capture the forward-looking risks at the ECL level, management overlays are applied. Management overlays are described in detail below.

PD and CR calculation

PD and CR are calculated based on the transition matrices model. Transition matrices track migration between rating grades, defaulted and cured status. They provide an intuitive and comprehensive overview of portfolio movements across time. From these matrices through-the-cycle (TTC) matrices are created for each segment that are independent of the economy's position within the macroeconomic cycle. PIT (point-in-time) matrices for each segment and month are created by conditioning the TTC matrices with an adjustment for the current and expected state of the macroeconomy. PD and CR are then derived from PIT matrices.

LGD calculation

For the majority of exposures without collateral and for an unsecured part of the collateralised exposures, models reflecting historical recoveries discounted by the original effective interest rate are used to derive LGD parameters. LGD for the collateralised part of the exposure is based on forward-looking expectations regarding the future collateral value based on macroeconomic scenarios.

EAD calculation

The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by a contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

There is a provision created for undrawn loan commitments by using estimate of utilisation in case of default that determines the amount of loan drawn.

Impact of Macroeconomic Environment Deterioration on Allowance Calculation

To reflect the implications of the macroeconomic environment evolution, the Group continuously monitored the economic outlooks of the CNB and the Ministry of Finance of the Czech Republic and based on these outlooks, macroeconomic forecasts for the estimation of future losses from financial assets were formulated. The latest update of the forward-looking macroeconomic scenarios took place in August 2024.

In 2024, the macroeconomic situation related to an environment of high inflation and high interest rates has partially normalised relative to 2023. For this reason, the Group continued to maintain, backtest and review the framework of management overlays to compensate for the lack of sensitivity of the IFRS 9 model to the high-interest rate environment. These reviews resulted in partial releases of the management overlay amounts reflecting the relative improvement of the macroeconomic environment.

In May 2024, the Group decided to dissolve the management overlay in the amount of CZK 80 million addressing the increased level of expected credit losses associated with exposures secured by the COVID-19 guarantee expiring within 12 consequent months. The dissolution was motivated by the fact that the initial assumptions had not materialised.

Management overlay – Pool-Managed Exposures

The purpose of this management overlay was to account for the impact of the high-interest rate and high-inflation environment on expected credit losses.

Throughout 2024, the Group continuously monitored and updated the existing management overlay for the portfolio of performing mortgages, consumer loans and small business loans. These regular reviews included also backtest of overlay assumptions.

As a part of these reviews, an evaluation of application and activation conditions was performed. Application conditions describe a macroeconomic environment where a lack of IFRS 9 model sensitivity can be assumed due to the specificity of the environment of high inflation and high interest rates. Meeting these conditions is a pre-requisite to the application of the management overlay. Deterioration of the portfolio credit quality in association with the environment of high inflation and high interest rates is evaluated based on activation conditions. In case these conditions are met, a decrease in the overlay amount can be considered to offset the credit loss materialisation. Evaluation of application and activation conditions is discussed by the Credit Committee (CRCO) as a part of the regular quarterly report. In case of activation conditions violation or in case the activation conditions are met, the CRCO decides about the release plan of the overlay amount based on the evaluation of the current macroeconomic situation and the forward-looking outlook.

The amount of the management overlay was determined based on the identification of the exposures exposed to the potential credit loss materialisation in connection with the high-inflation and high-interest rates environment. The potentially vulnerable exposures were identified according to the available information about the income/revenue of clients accounting for increased costs associated with the high inflation and interest rate level. The amount of the management overlay was derived as the amount of loan loss allowances required to offset the assumed share of these potentially vulnerable exposures defaulting. The assumption of the default rate applied to potentially vulnerable balances was kept at 15%. Additionally, since the activation conditions indicating the materialisation of the credit risk in the commercial pool managed segment were triggered, the proportionate amount of the management overlay was deducted from the final management overlay amount. As a result, the management overlay amount decreased to CZK 338 million as at 31 December 2024 compared to CZK 490 million as at 31 December 2023.

The sensitivity of the management overlay amount to the change of the assumed default rate by 1% (increase from 15% to 16%) stood at CZK 52 million as at 31 December 2024.

Management overlay – Commercial Individually Managed Exposures

The purpose of this management overlay was to account for the risks associated with the impact of the high-interest rate environment on expected credit losses.

Throughout 2024, the Group continuously monitored and updated the existing management overlay for the portfolio of performing commercial individually managed exposures of the Bank and MONETA Leasing. These regular reviews included also backtest of overlay assumptions.

As a part of these reviews, an evaluation of application and activation conditions was performed. Application conditions describe a macroeconomic environment where a lack of IFRS 9 model sensitivity can be assumed due to the specificity of the environment of high inflation and high interest rates. Meeting these conditions is a pre-requisite to the application of the management overlay. Deterioration of the portfolio credit quality in association with the environment of high inflation and high interest rates is evaluated based on activation conditions. In case these conditions are met, a decrease in the overlay amount can be considered to offset the credit loss materialisation. Evaluation of application and activation conditions is discussed by the Credit Committee (CRCO) as a part of the regular quarterly report. In case of activation conditions violation or in case the activation conditions are met, the CRCO decides about the release plan of the overlay amount based on the evaluation of the current macroeconomic situation and the forward-looking outlook.

The amount of the management overlay was determined based on the identification of the exposures exposed to the potential credit loss materialisation in connection with the high-interest rate environment. The potentially vulnerable exposures were identified assuming that clients with high levels of a debt/EBITDA ratio are more prone to the high-interest rate environment if their CZK loans are with a floating rate or with recent or upcoming re-fixation to a much higher interest rate. The amount of the management overlay was derived as the amount of loan loss allowances required to offset the assumed share of these potentially vulnerable exposures defaulting. The assumption of the default rate applied to potentially vulnerable balances was kept at 15%. Additionally, since the activation conditions indicating the materialisation of the credit risk in the commercial individually managed segment were triggered, the proportionate amount of the management overlay was deducted from the final management overlay amount. As a result, the management overlay amount decreased to CZK 56 million as at 31 December 2024 compared to CZK 83 million as at 31 December 2023.

The sensitivity of the management overlay amount to the change of the assumed default rate by 1% (increase from 15% to 16%) stood at CZK 4 million as at 31 December 2024.

Write-off principles

Write-off is applied when one of the below criteria is met:

- Zero or negligible cash flow is expected to be received;
- Collection process has been cancelled and as a consequence the Group does not expect any cash flow (e.g. collection cost would be higher than expected recovery);
- Finished insolvency procedure;
- Inheritance proceedings ended without a legal successor (where the receivable was part of the inheritance);
- Fraudulent loan;
- Stopped execution of the receivable;
- Liquidation of the debtor (legal person).

Rebuttable presumption "zero or negligible cash flow is expected to be received" is driven by defined term after default, where the term is defined separately for each product.

Presumption may be rebutted e.g. if recovery is expected to be received or there is still collateral that may be sold and its value is not zero or negligible.

The following table shows reconciliations from the opening to the closing balance of loans and receivables to customers at gross carrying amount:

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2024	**160,796**	**18,697**	**2,797**	**54**	**182,344**
Originations	23,438	1,230	31	-	24,699
Transfer to (out) Stage 1	9,114	(9,014)	(100)	-	-
Transfer to (out) Stage 2	(13,713)	14,345	(632)	-	-
Transfer to (out) Stage 3	(838)	(1,200)	2,038	-	-
Repayments and other movements	(15,821)	(4,005)	(962)	5	(20,783)
Write-offs	-	-	(766)	-	(766)
Balance 31 December 2024	**162,976**	**20,053**	**2,406**	**59**	**185,494**
Commercial					
Balance 1 January 2024	**79,990**	**4,373**	**1,040**	**(1)**	**85,402**
Originations	19,454	198	94	-	19,746
Transfer to (out) Stage 1	1,774	(1,746)	(28)	-	-
Transfer to (out) Stage 2	(3,058)	3,163	(105)	-	-
Transfer to (out) Stage 3	(422)	(354)	776	-	-
Repayments and other movements	(9,139)	(1,444)	(410)	1	(10,992)
Write-offs	-	-	(215)	-	(215)
Balance 31 December 2024	**88,599**	**4,190**	**1,152**	**-**	**93,941**
Total Balance 31 December 2024	**251,575**	**24,243**	**3,558**	**59**	**279,435**

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2023	**171,656**	**14,933**	**2,827**	**65**	**189,481**
Originations	14,908	945	30	-	15,883
Transfer to (out) Stage 1	7,782	(7,654)	(128)	-	-
Transfer to (out) Stage 2	(13,648)	14,250	(602)	-	-
Transfer to (out) Stage 3	(1,012)	(1,146)	2,158	-	-
Repayments and other movements	(18,890)	(2,631)	(944)	(10)	(22,475)
Write-offs	-	-	(544)	(1)	(545)
Balance 31 December 2023	**160,796**	**18,697**	**2,797**	**54**	**182,344**
Commercial					
Balance 1 January 2023	**79,998**	**3,444**	**937**	**-**	**84,379**
Originations	16,822	252	78	-	17,152
Transfer to (out) Stage 1	1,326	(1,283)	(43)	-	-
Transfer to (out) Stage 2	(4,795)	4,882	(87)	-	-
Transfer to (out) Stage 3	(370)	(509)	879	-	-
Repayments and other movements	(12,991)	(2,413)	(542)	(1)	(15,947)
Write-offs	-	-	(182)	-	(182)
Balance 31 December 2023	**79,990**	**4,373**	**1,040**	**(1)**	**85,402**
Total Balance 31 December 2023	**240,786**	**23,070**	**3,837**	**53**	**267,746**

The following table shows reconciliations from the opening to the closing balance of allowances to loans and receivables to customers:

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2024	**514**	**1,304**	**1,306**	**(25)**	**3,099**
Originations	348	111	23	-	482
Derecognition and maturities	(111)	(209)	(214)	4	(530)
Transfer to (out) Stage 1	429	(393)	(36)	-	-
Transfer to (out) Stage 2	(131)	395	(264)	-	-
Transfer to (out) Stage 3	(15)	(339)	354	-	-
Remeasurements, changes in models and methods	(552)	367	548	5	368
Use of allowances (write-offs)	-	-	(744)	-	(744)
out of which: debt sales	-	-	(601)	-	(601)
Foreign exchange adjustments	-	-	-	-	-
Balance 31 December 2024	**482**	**1,236**	**973**	**(16)**	**2,675**
Commercial					
Balance 1 January 2024	**626**	**427**	**535**	**(5)**	**1,583**
Originations	470	31	33	-	534
Derecognition and maturities	(51)	(27)	(80)	-	(158)
Transfer to (out) Stage 1	166	(150)	(16)	-	-
Transfer to (out) Stage 2	(39)	93	(54)	-	-
Transfer to (out) Stage 3	(10)	(115)	125	-	-
Remeasurements, changes in models and methods	(641)	164	99	1	(377)
Use of allowances (write-offs)	-	-	(207)	-	(207)
out of which: debt sales	-	-	(160)	-	(160)
Foreign exchange adjustments	2	-	-	-	2
Balance 31 December 2024	**523**	**423**	**435**	**(4)**	**1,377**
Total Balance 31 December 2024[1)]	**1,005**	**1,659**	**1,408**	**(20)**	**4,052**

1) The Group did not recognise any allowances to Loans and receivables to banks during 2024 and 2023, as such exposures are short-term only and impact is immaterial.

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2023	**747**	**1,323**	**1,464**	**(24)**	**3,510**
Originations	245	95	19	(2)	357
Derecognition and maturities	(117)	(143)	(303)	5	(558)
Transfer to (out) Stage 1	626	(570)	(56)	-	-
Transfer to (out) Stage 2	(143)	433	(290)	-	-
Transfer to (out) Stage 3	(19)	(357)	376	-	-
Remeasurements, changes in models and methods	(825)	523	627	(3)	322
Use of allowances (write-offs)	-	-	(531)	(1)	(532)
out of which: debt sales	-	-	(436)	(1)	(437)
Foreign exchange adjustments	-	-	-	-	-
Balance 31 December 2023	**514**	**1,304**	**1,306**	**(25)**	**3,099**
Commercial					
Balance 1 January 2023	**699**	**347**	**557**	**(5)**	**1,598**
Originations	404	42	27	-	473
Derecognition and maturities	(34)	(36)	(131)	-	(201)
Transfer to (out) Stage 1	165	(142)	(23)	-	-
Transfer to (out) Stage 2	(65)	112	(47)	-	-
Transfer to (out) Stage 3	(10)	(157)	167	-	-
Remeasurements, changes in models and methods	(538)	261	163	-	(114)
Use of allowances (write-offs)	-	-	(178)	-	(178)
out of which: debt sales	-	-	(122)	-	(122)
Foreign exchange adjustments	5	-	-	-	5
Balance 31 December 2023	**626**	**427**	**535**	**(5)**	**1,583**
Total Balance 31 December 2023[1)]	**1,140**	**1,731**	**1,841**	**(30)**	**4,682**

1) The Group did not recognise any allowances to Loans and receivables to banks during 2024 and 2023, as such exposures are short-term only and impact is immaterial.

There have been no material movements in allowances to other financial assets (such as debt securities at amortised cost or operating receivables) for the years 2024 and 2023 than those disclosed above.

44.2.5 Credit Concentration Risk

As part of managing credit risk, the Group regularly monitors and actively manages the credit concentration risk of the Group through the limits to countries, counterparties, collateral providers and economic sectors. Regional concentration is not relevant as most income is generated within the territory of the Czech Republic.

The main collateral providers (via guarantees) are Národní rozvojová banka, a.s., the European Investment Fund and Exportní garanční a pojišťovací společnost, a.s.

(a) The exposures to top 10 groups of customers

CZK m	31 Dec 2024	31 Dec 2023
Top 10 exposures[1)]	15,906	13,986

1) Exposure includes gross loans and receivables, unused commitments including credit lines, guarantees and letters of credit.

(b) The structure of the Group's commercial credit portfolio by economic sectors

	31 Dec 2024		31 Dec 2023	
Sector	**CZK m[1)]**	**%**	**CZK m[1)]**	**%**
1 Agriculture	23,324	25%	22,420	26%
2 Mining	17	0%	16	0%
3 Food industry	1,408	1%	1,207	1%
4 Textile industry	280	0%	223	0%
5 Wood processing industry	616	1%	549	1%
6 Chemical industry	1,144	1%	1,107	1%
7 Metal processing industry	3,487	4%	3,085	4%
8 Electric and optical equipment	142	0%	188	0%
9 Manufacturing of equipment, including transportation	1,415	2%	1,208	1%
10 Construction industry and construction modifications	7,127	8%	6,022	7%
11 Wholesale	5,344	6%	4,622	5%
12 Retail sale	4,650	5%	4,648	5%
13 Transport and telecommunication	2,320	2%	2,326	3%
14 Finance	1,503	2%	763	1%
15 Services	17,226	18%	14,051	16%
16 Public sector	388	0%	338	0%
17 Health industry	1,013	1%	1,001	1%
18 Power sector	3,427	4%	3,429	4%
19 Real estate activities	19,106	20%	18,193	21%
Total	**93,937**	**100%**	**85,396**	**100%**

1) The amounts represent the relevant gross loans and receivables to customers. Exposures of unallowed debits which are fully provided by allowances are excluded.

(c) Maximum credit risk exposure

31 Dec 2024 CZK m	Statement of financial position	Off-balance sheet	Total credit risk exposure	Available collateral[1)]
Cash and cash balances at the central bank	**13,541**	**-**	**13,541**	**-**
Derivative financial instruments	**596**	**-**	**596**	**621**
Investment securities measured at FVTPL	**66**	**-**	**66**	**-**
Equity investments	25	-	25	-
Debt investments	41	-	41	-
Investment securities measured at FVTOCI	**1**	**-**	**1**	**-**
Equity investments	1	-	1	-
Investment securities measured at amortised cost	**116,597**	**-**	**116,597**	**-**
Government and corporate bonds	116,597	-	116,597	-
Hedging derivatives with positive fair values	**2,314**	**-**	**2,314**	**-**
Interest rate swaps	2,314	-	2,314	-
Change in fair value of items hedged on portfolio basis	**200**	**-**	**200**	**-**
Loans and receivables to banks	**79,206**	**-**	**79,206**	**73,856**
Current accounts at banks	385	-	385	-
Overnight deposits	937	-	937	-
Receivables arising from reverse repurchase agreements	75,368	-	75,368	73,856
Cash collaterals granted	2,513	-	2,513	-
Other	3	-	3	-
Loans and receivables to customers	**275,383**	**24,695**	**300,078**	**173,495**
Consumer authorised overdrafts and credit cards	2,291	4,193	6,484	-
Consumer loans	47,220	27	47,247	2,486
Mortgages	130,610	2,606	133,216	125,887
Commercial loans	82,663	17,475	100,138	44,142
Auto & Equipment Financial Lease	118	-	118	98
Commercial	118	-	118	98
Retail	-	-	-	-
Auto & Equipment Loans	12,481	394	12,875	882
Commercial	9,783	394	10,177	882
Retail	2,698	-	2,698	-
Issued guarantees and credit limits on guarantees	**-**	**2,573**	**2,573**	**374**
Issued letter of credit	**-**	**8**	**8**	**-**
Remaining assets	**7,078**	**-**	**7,078**	**-**

1) Available collateral represents realisable value of collateral relevant for each loan exposure. The realisable value of collateral is capped up to the Total exposure presented in the statement of financial position on a loan-by-loan basis for the purpose of the presentation in these breakdowns.

31 Dec 2023 CZK m	Statement of financial position	Off-balance sheet	Total credit risk exposure	Available collateral[1)]
Cash and cash balances at the central bank	**10,871**	**-**	**10,871**	**-**
Derivative financial instruments	**544**	**-**	**544**	**829**
Investment securities measured at FVTPL	**55**	**-**	**55**	**-**
Equity investments	25	-	25	-
Debt investments	30	-	30	-
Investment securities measured at FVTOCI	**1**	**-**	**1**	**-**
Equity investments	1	-	1	-
Investment securities measured at amortised cost	**104,297**	**-**	**104,297**	**-**
Government and corporate bonds	104,297	-	104,297	-
Hedging derivatives with positive fair values	**2,701**	**-**	**2,701**	**-**
Interest rate swaps	2,701	-	2,701	-
Change in fair value of items hedged on portfolio basis	**122**	**-**	**122**	**-**
Loans and receivables to banks	**69,632**	**-**	**69,632**	**65,422**
Current accounts at banks	260	-	260	-
Overnight deposits	392	-	392	-
Receivables arising from reverse repurchase agreements	66,740	-	66,740	65,422
Cash collaterals granted	2,238	-	2,238	-
Other	2	-	2	-
Loans and receivables to customers	**263,064**	**23,903**	**286,967**	**170,066**
Consumer authorised overdrafts and credit cards	2,270	4,223	6,493	-
Consumer loans	46,558	149	46,707	2,726
Mortgages	127,946	2,249	130,195	126,274
Commercial loans	73,898	16,912	90,810	39,315
Auto & Equipment Financial Lease	276	-	276	240
Commercial	276	-	276	240
Retail	-	-	-	-
Auto & Equipment Loans	12,116	370	12,486	1,511
Commercial	9,645	370	10,015	1,511
Retail	2,471	-	2,471	-
Issued guarantees and credit limits on guarantees	**-**	**2,236**	**2,236**	**415**
Issued letter of credit	**-**	**5**	**5**	**-**
Remaining assets	**6,897**	**-**	**6,897**	**-**

1) Available collateral represents realisable value of collateral relevant for each loan exposure. The realisable value of collateral is capped up to the Total exposure presented in the statement of financial position on a loan-by-loan basis for the purpose of the presentation in these breakdowns.

(d) Quantitative information about available collateral for impaired financial assets (Stage 3 and non-performing POCI)

	2024			2023		
CZK m	Retail	Commercial	Total	Retail	Commercial	Total
LTV[1)] lower than 50%	272	36	308	282	36	318
LTV[1)] 51–70%	352	68	420	353	36	389
LTV[1)] more than 70%	405	253	658	483	257	740
Total	**1,029**	**357**	**1,386**	**1,118**	**329**	**1,447**

1) The LTV (Loan to Value) represents ratio of gross carrying value of loan to fair value of collateral available at the reporting date.

44.2.6 Credit Portfolio and its Quality

(a) Break down of allowances and provisions according to loan type and stages

The following table comprises information about allowances to Loans and receivables to customers and provisions to off-balance sheet items according to type of loan/off-balance sheet position and related stage:

31 Dec 2024	Gross carrying amount					Allowance/Provision					
CZK m	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Net book value
Retail loans	**162,976**	**20,053**	**2,406**	**59**	**185,494**	**(482)**	**(1,236)**	**(973)**	**16**	**(2,675)**	**182,819**
Consumer Loans	39,985	7,767	1,314	1	49,067	(304)	(880)	(675)	12	(1,847)	47,220
Mortgages	118,624	11,525	972	58	131,179	(86)	(261)	(226)	4	(569)	130,610
Credit Cards & Overdrafts	1,980	401	68	-	2,449	(60)	(57)	(41)	-	(158)	2,291
Auto Loans	2,385	360	47	-	2,792	(30)	(38)	(26)	-	(94)	2,698
Other	2	-	5	-	7	(2)	-	(5)	-	(7)	-
Commercial loans	**88,599**	**4,190**	**1,152**	**-**	**93,941**	**(523)**	**(423)**	**(435)**	**4**	**(1,377)**	**92,564**
Investment Loans	49,005	1,071	186	-	50,262	(153)	(82)	(59)	4	(290)	49,972
Working Capital	15,801	821	74	-	16,696	(80)	(92)	(30)	-	(202)	16,494
Auto & Equipment Loans	8,353	539	153	-	9,045	(72)	(50)	(72)	-	(194)	8,851
Unsecured Instalment Loans and Overdraft	14,591	1,688	600	-	16,879	(216)	(198)	(268)	-	(682)	16,197
Inventory Financing and Other	849	71	139	-	1,059	(2)	(1)	(6)	-	(9)	1,050
Total loans	**251,575**	**24,243**	**3,558**	**59**	**279,435**	**(1,005)**	**(1,659)**	**(1,408)**	**20**	**(4,052)**	**275,383**
Debt instruments measured at amortised costs	116,618	-	-	-	116,618	(21)	-	-	-	(21)	116,597
Total loans and securities	**368,193**	**24,243**	**3,558**	**59**	**396,053**	**(1,026)**	**(1,659)**	**(1,408)**	**20**	**(4,073)**	**391,980**
Financial guarantees	2,328	252	1	-	2,581	(10)	(3)	-	-	(13)	2,568
Loan commitments - Retail	6,539	271	16	-	6,826	(36)	(10)	-	-	(46)	6,780
Loan commitments - Commercial	17,377	478	14	-	17,869	(38)	(7)	-	-	(45)	17,824
Total off-balance sheet items	**26,244**	**1,001**	**31**	**-**	**27,276**	**(84)**	**(20)**	**-**	**-**	**(104)**	**27,172**

Previously written-off receivables amount to CZK 181 million as at 31 December 2024 (31 December 2023: CZK 184 million).

31 Dec 2023	Gross carrying amount					Allowance/Provision					
CZK m	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Net book value
Retail loans	**160,796**	**18,697**	**2,797**	**54**	**182,344**	**(514)**	**(1,304)**	**(1,306)**	**25**	**(3,099)**	**179,245**
Consumer Loans	39,142	7,922	1,645	(7)	48,702	(260)	(900)	(1,006)	22	(2,144)	46,558
Mortgages	117,460	10,059	1,024	61	128,604	(146)	(300)	(215)	3	(658)	127,946
Credit Cards & Overdrafts	1,981	408	81	-	2,470	(76)	(69)	(55)	-	(200)	2,270
Auto Loans	2,211	308	41	-	2,560	(30)	(35)	(24)	-	(89)	2,471
Other	2	-	6	-	8	(2)	-	(6)	-	(8)	-
Commercial loans	**79,990**	**4,373**	**1,040**	**(1)**	**85,402**	**(626)**	**(427)**	**(535)**	**5**	**(1,583)**	**83,819**
Investment Loans	44,091	1,117	157	(1)	45,364	(164)	(68)	(64)	5	(291)	45,073
Working Capital	14,473	960	86	-	15,519	(104)	(48)	(41)	-	(193)	15,326
Auto & Equipment Loans	8,381	547	141	-	9,069	(83)	(50)	(71)	-	(204)	8,865
Unsecured Instalment Loans and Overdraft	12,284	1,557	539	-	14,380	(273)	(259)	(349)	-	(881)	13,499
Inventory Financing and Other	761	192	117	-	1,070	(2)	(2)	(10)	-	(14)	1,056
Total loans	**240,786**	**23,070**	**3,837**	**53**	**267,746**	**(1,140)**	**(1,731)**	**(1,841)**	**30**	**(4,682)**	**263,064**
Debt instruments measured at amortised costs	104,320	-	-	-	104,320	(23)	-	-	-	(23)	104,297
Total loans and securities	**345,106**	**23,070**	**3,837**	**53**	**372,066**	**(1,163)**	**(1,731)**	**(1,841)**	**30**	**(4,705)**	**367,361**
Financial guarantees	1,593	647	1	-	2,241	(8)	(6)	-	-	(14)	2,227
Loan commitments - Retail	6,285	287	49	-	6,621	(41)	(12)	-	-	(53)	6,568
Loan commitments - Commercial	16,881	361	40	-	17,282	(40)	(8)	-	-	(48)	17,234
Total off-balance sheet items	**24,759**	**1,295**	**90**	**-**	**26,144**	**(89)**	**(26)**	**-**	**-**	**(115)**	**26,029**

(b) Loans and receivables to banks and customers according to the categorisation according to internal rating grade and stages

The following table sets out information about credit quality of financial assets measured at amortised cost classified according to the internal credit rating grade and stages:

	31 Dec 2024					31 Dec 2023				
CZK m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Loans and receivables to customers at amortised costs										
CR 1	226,903	12,025	-	32	238,960	221,477	10,382	-	26	231,885
CR 2	13,705	4,045	-	12	17,762	10,957	3,922	-	6	14,885
CR 3	10,149	3,186	-	1	13,336	7,624	3,673	-	4	11,301
CR 4	593	2,869	-	3	3,465	465	2,763	-	4	3,232
CR 5	220	2,118	-	1	2,339	259	2,330	-	1	2,590
Not graded	5	-	-	-	5	4	-	-	-	4
NPL	-	-	3,558	10	3,568	-	-	3,837	12	3,849
Gross carrying amount	**251,575**	**24,243**	**3,558**	**59**	**279,435**	**240,786**	**23,070**	**3,837**	**53**	**267,746**
Allowance	(1,005)	(1,659)	(1,408)	20	(4,052)	(1,140)	(1,731)	(1,841)	30	(4,682)
Net book value	**250,570**	**22,584**	**2,150**	**79**	**275,383**	**239,646**	**21,339**	**1,996**	**83**	**263,064**
Loans and receivables to banks at amortised cost without rating[1)]										
Gross carrying amount	**79,206**	**-**	**-**	**-**	**79,206**	**69,632**	**-**	**-**	**-**	**69,632**
Allowance	-	-	-	-	-	-	-	-	-	-
Net book value	**79,206**	**-**	**-**	**-**	**79,206**	**69,632**	**-**	**-**	**-**	**69,632**
Debt investment securities at amortised cost										
CR 1	116,618	-	-	-	116,618	104,320	-	-	-	104,320
Gross carrying amount	**116,618**	**-**	**-**	**-**	**116,618**	**104,320**	**-**	**-**	**-**	**104,320**
Allowance	(21)	-	-	-	(21)	(23)	-	-	-	(23)
Net book value	**116,597**	**-**	**-**	**-**	**116,597**	**104,297**	**-**	**-**	**-**	**104,297**
Other receivables from operating activities without rating[1)]										
Gross carrying amount	**104**	**35**	**25**	**-**	**164**	**124**	**4**	**32**	**-**	**160**
Allowance	-	-	(25)	-	(25)	-	-	(32)	-	(32)
Net book value	**104**	**35**	**-**	**-**	**139**	**124**	**4**	**-**	**-**	**128**
Loan commitments										
CR 1	21,946	317	-	-	22,263	21,598	293	-	-	21,891
CR 2	1,137	100	-	-	1,237	1,001	98	-	-	1,099
CR 3	826	248	-	-	1,074	560	111	-	-	671
CR 4	7	76	-	-	83	3	136	-	-	139
CR 5	-	8	-	-	8	4	10	-	-	14
Not graded	-	-	-	-	-	-	-	-	-	-
NPL	-	-	30	-	30	-	-	89	-	89
Gross carrying amount	**23,916**	**749**	**30**	**-**	**24,695**	**23,166**	**648**	**89**	**-**	**23,903**
Provision	(74)	(17)	-	-	(91)	(81)	(20)	-	-	(101)
Net book value	**23,842**	**732**	**30**	**-**	**24,604**	**23,085**	**628**	**89**	**-**	**23,802**

	31 Dec 2024					31 Dec 2023				
CZK m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Financial guarantee contracts										
CR 1	2,322	228	-	-	2,550	1,592	628	-	-	2,220
CR 2	5	11	-	-	16	1	11	-	-	12
CR 3	1	7	-	-	8	-	4	-	-	4
CR 4	-	6	-	-	6	-	4	-	-	4
CR 5	-	-	-	-	-	-	-	-	-	-
NPL	-	-	1	-	1	-	-	1	-	1
Gross carrying amount	**2,328**	**252**	**1**	**-**	**2,581**	**1,593**	**647**	**1**	**-**	**2,241**
Provision	(10)	(3)	-	-	(13)	(8)	(6)	-	-	(14)
Net book value	**2,318**	**249**	**1**	**-**	**2,568**	**1,585**	**641**	**1**	**-**	**2,227**

1) Loans and receivables to banks and other receivables from operating activities are not subject to an internal grading system.

44.2.7 Modified Financial Assets

The following table provides information about financial assets with a loss allowance at an amount equal to full lifetime expected credit losses that were modified during the accounting period:

CZK m	2024	2023
Financial assets modified during the period		
Amortised cost before modification	607	346
Net modification gain/loss	(3)	(1)
Financial assets modified since initial recognition		
Gross carrying amount at 31 Dec of financial assets for which loss allowance has changed to 12-month measurement during the period	139	61

The modification in the form of the forbearance is reflected in the categorisation of receivables in accordance with the exposures categorisation rules (see note 44.2.2).

Forborne Receivables

Forborne receivables are receivables for which the Group provided the debtor with relief as it assessed that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the debtor's financial position, the Group granted it relief that the Group would not otherwise have granted. Reliefs primarily include reworking the repayment plan, a decrease in the interest rate, a waiver of default interest, a deferral of principal or accrued interest repayments. Forborne receivables do not include receivables arising from the roll-over of a short-term loan for current assets if the debtor met all of its payment and non-payment obligations arising from the loan contract.

The Group applies the following general principles for forbearance:

- the customer lost the ability to repay the loan according to the original loan contract;
- the customer demonstrates a willingness and ability to pay his/her debts;
- specific product/customer criteria must be met.

Forbearance measures provided to clients take a form of modification of the existing contract or origination of a new loan contract, where the customer's original credit is, by entering into this new contract, repaid and closed. In this case, a new (restructured) loan with different monthly instalments, interest rate and maturity is then opened. According to the rules for categorisation of exposures, the new or modified loan is treated as non-performing at least 12 months after restructuring.

Forborne classification is assigned also during the 24 month probation period, which applies from the moment when the client was upgraded to the performing status.

(a) All gross loans and receivables to customers with forbearance:

31 Dec 2024 CZK m	Mortgage loans	Consumer loans	Commercial loans	Commercial auto and equipment financial leases	Commercial auto and equipment loans	Retail auto and equipment loans	Total
Forborne receivables	710	722	196	3	32	19	1,682
Total	**710**	**722**	**196**	**3**	**32**	**19**	**1,682**

31 Dec 2023 CZK m	Mortgage loans	Consumer loans	Commercial loans	Commercial auto and equipment financial leases	Commercial auto and equipment loans	Retail auto and equipment loans	Total
Forborne receivables	1,040	1,202	264	2	47	16	2,571
Total	**1,040**	**1,202**	**264**	**2**	**47**	**16**	**2,571**

(b) Impaired loans out of all gross loans and receivables to customers with forbearance:

31 Dec 2024 CZK m	Mortgage loans	Consumer loans	Commercial loans	Commercial auto and equipment financial leases	Commercial auto and equipment loans	Retail auto and equipment loans	Total
Forborne receivables	352	444	144	1	21	15	977
Total	**352**	**444**	**144**	**1**	**21**	**15**	**977**

31 Dec 2023 CZK m	Mortgage loans	Consumer loans	Commercial loans	Commercial auto and equipment financial leases	Commercial auto and equipment loans	Retail auto and equipment loans	Total
Forborne receivables	471	564	117	-	27	12	1,191
Total	**471**	**564**	**117**	**-**	**27**	**12**	**1,191**

(c) Loans and receivables to customers forborne within the reporting year

2024	Mortgage loans	Consumer loans	Commercial loans	Commercial auto and equipment financial leases	Commercial auto and equipment loans	Retail auto and equipment loans	Total
Number of incrementally forborne receivables within the reporting year	96	1,451	333	1	36	31	1,948
Balance of the incrementally forborne gross receivables within the reporting year measured at the end of the reporting year (CZK m)	217	307	99	1	13	10	647

2023	Mortgage loans	Consumer loans	Commercial loans	Commercial auto and equipment financial leases	Commercial auto and equipment loans	Retail auto and equipment loans	Total
Number of incrementally forborne receivables within the reporting year	153	1,650	246	1	39	28	2,117
Balance of the incrementally forborne gross receivables within the reporting year measured at the end of the reporting year (CZK m)	296	348	65	-	19	11	739

44.3 INTEREST RATE RISK

Interest rate risk is the risk of a loss arising from changes in interest rates on financial markets. The Group is exposed to interest rate risk as interest-bearing assets and liabilities have different maturity periods or interest rate repricing periods.

The Bank strives to minimise the Group's interest rate risk by setting limits and keeping positions within these limits. The interest rate risk management activities are aimed at reducing the risk of losses. The Group's interest rate risk management is centralised in the Bank.

Only certain client products (FX swap, FX forward, FX spot) of the Bank are included in the Trading book; all other positions of the Group are included in the Banking book.

The Group's interest rate risk for the Trading and Banking book is managed separately. The interest rate risk of the Trading book is managed by the requirement to close each FX swap and FX forward transaction on a back-to-back basis. To monitor and measure the interest rate risk of the Banking book, a model of interest rate sensitivity is used which serves to determine the sensitivity of the Group to changes in the market interest rates. The model is based on the inclusion of interest-sensitive assets and liabilities into relevant time bands. The Group prefers to use behavioural features of cash flows rather than those that are purely contractual. All behavioural assumptions are approved by the ALCO. The model works with 1-month time bands up to 240 months.

The Bank carries out stress testing of the Group's Banking book positions in all currencies that account for more than 5% of the Group's assets or liabilities (both on an individual and consolidated basis) based on stress scenarios for management of interest rate risk arising from non-trading activities in line with the relevant European Banking Authority Guideline EBA/GL/2018/02. As at 31 December 2024, only the portfolios denominated in the Czech Koruna and Euro exceeded a 5% share of the Group's assets/liabilities. The set of limits is used to manage and monitor the impacts of all stress scenarios stipulated in the Guideline. The results of stress testing are presented to ALCO on a monthly basis. To manage the discrepancy between the interest sensitivity of assets and liabilities, interest rate derivatives are used in line with the interest rate hedging strategy for hedge accounting approved by ALCO.

The tables below show the sensitivity of the Group to changes in interest rates.

CZK

% change in annual net interest income[1)]	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	1.55%	2.43%
Impact of an interest rate movement -200 basis points	0.05%	(1.39)%

1) The regulatory calculation of net interest income was changed in 2024, where the calculated impact on net interest income is measured against Tier 1 capital instead of actual net interest income. For the purpose of comparability, the previous period has been adjusted.

CZK

Change in economic value of equity as a % of capital	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.70%	1.20%
Impact of an interest rate movement -200 basis points	0.53%	1.33%

EUR

% change in annual net interest income[1)]	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.22%	(0.19)%
Impact of an interest rate movement -200 basis points	(0.22)%	0.19%

1) The regulatory calculation of net interest income was changed in 2024, where the calculated impact on net interest income is measured against Tier 1 capital instead of actual net interest income. For the purpose of comparability, the previous period has been adjusted.

EUR

Change in economic value of equity as a % of capital	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.64%	(0.47)%
Impact of an interest rate movement -200 basis points	(0.68)%	0.54%

The percentage change in annual net interest income shows the impact of interest rate movements on net interest income on a 12-month horizon. The change in the economic value of equity shows the impact of interest rate movements on the difference between the present value of assets and liabilities (i.e. the economic value of equity), so this metric works with a long-term horizon. Given the mentioned differences between the two metrics, the two kinds of impact can have different signs and follow different trends.

The below table summarises the Group's exposure to interest rate risk. Balances are allocated to the buckets based on the following parameters: for assets, the next repricing date or principal payment dates, whichever occurs earlier; for non-maturity deposits, the expected maturity/repricing behaviour; and for term deposits, the maturity date.

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	13,541	-	-	-	-	-	13,541
Derivative financial instruments with positive fair values	73	9	17	106	391	-	596
Hedging derivatives with positive fair values	-	6	67	855	1,386	-	2,314
Change in fair value of items hedged on portfolio basis	1	(1)	59	129	12	-	200
Investment securities	-	408	3,943	35,432	76,814	67	116,664
Loans and receivables to banks	76,690	-	-	-	-	2,516	79,206
Loans and receivables to customers	29,232	16,066	54,433	160,458	15,194	-	275,383
Remaining assets	193	-	743	13	3	6,126	7,078
Total assets	**119,730**	**16,488**	**59,262**	**196,993**	**93,800**	**8,709**	**494,982**
Due to banks	863	-	-	2,566	-	405	3,834
Due to customers	146,686	47,565	59,360	129,744	46,451	215	430,021
Derivative financial instruments with negative fair values	43	8	15	85	381	-	532
Hedging derivatives with negative fair values	51	92	274	2,195	1,647	-	4,259
Change in fair value of items hedged on portfolio basis	-	-	-	78	-	-	78
Issued bonds	-	37	1,600	9,925	-	-	11,562
Subordinated liabilities	2,683	2,024	-	2,915	-	-	7,622
Remaining liabilities	2,915	19	322	965	107	867	5,195
Total liabilities	**153,241**	**49,745**	**61,571**	**148,473**	**48,586**	**1,487**	**463,103**
Net balance sheet interest rate exposure	**(33,511)**	**(33,257)**	**(2,309)**	**48,520**	**45,214**	**7,222**	**31,879**
Off-balance sheet assets	13,918	2,970	2,827	4,764	217	-	24,696
Off-balance sheet liabilities	-	-	-	-	-	-	-
Interest rate swaps assets[1)]	23,573	104,154	7,238	12,885	4,160	-	152,010
Interest rate swaps liabilities[1)]	4,673	11,605	15,285	71,827	48,620	-	152,010
Net off-balance sheet interest rate exposure	**32,818**	**95,519**	**(5,220)**	**(54,178)**	**(44,243)**	**-**	**24,696**
Total net interest rate exposure	**(693)**	**62,262**	**(7,529)**	**(5,658)**	**971**	**7,222**	**56,575**

1) In case of interest rate swaps, the notional amounts are used instead of accounting balances.

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	10,871	-	-	-	-	-	10,871
Derivative financial instruments with positive fair values	2	4	33	125	380	-	544
Hedging derivatives with positive fair values	8	14	144	995	1,540	-	2,701
Change in fair value of items hedged on portfolio basis	(2)	(13)	(66)	191	12	-	122
Investment securities	-	299	1,424	31,213	71,361	56	104,353
Loans and receivables to banks	67,392	-	-	-	-	2,240	69,632
Loans and receivables to customers	29,422	13,876	46,826	155,765	17,175	-	263,064
Remaining assets	179	-	620	4	3	6,091	6,897
Total assets	**107,872**	**14,180**	**48,981**	**188,293**	**90,471**	**8,387**	**458,184**
Due to banks	2,329	-	2,531	-	-	563	5,423
Due to customers	148,811	18,286	68,211	114,674	49,245	270	399,497
Derivative financial instruments with negative fair values	14	3	31	106	369	-	523
Hedging derivatives with negative fair values	3	2	128	2,214	2,201	-	4,548
Change in fair value of items hedged on portfolio basis	(2)	(7)	(31)	103	-	-	63
Issued bonds	-	37	5	3,766	-	-	3,808
Subordinated liabilities	92	-	18	7,494	-	-	7,604
Remaining liabilities	2,140	14	294	921	300	846	4,515
Total liabilities	**153,387**	**18,335**	**71,187**	**129,278**	**52,115**	**1,679**	**425,981**
Net balance sheet interest rate exposure	**(45,515)**	**(4,155)**	**(22,206)**	**59,015**	**38,356**	**6,708**	**32,203**
Off-balance sheet assets	14,194	2,931	2,356	4,139	282	-	23,902
Off-balance sheet liabilities	-	-	-	-	-	-	-
Interest rate swaps assets[1)]	15,670	85,827	11,020	12,819	2,900	-	128,236
Interest rate swaps liabilities[1)]	6,868	9,696	11,880	55,281	44,511	-	128,236
Net off-balance sheet interest rate exposure	**22,996**	**79,062**	**1,496**	**(38,323)**	**(41,329)**	**-**	**23,902**
Total net interest rate exposure	**(22,519)**	**74,907**	**(20,710)**	**20,692**	**(2,973)**	**6,708**	**56,105**

1) In case of interest rate swaps, the notional amounts are used instead of accounting balances.

The data for the individual time buckets except the "Unspecified" column follow the interest rate gap from the model of interest rate sensitivity.

44.4 FOREIGN EXCHANGE RISK

Foreign exchange risk covers the risk of a loss due to changes in exchange rates. The Group is exposed to foreign exchange risk primarily due to the provision of foreign exchange loan products to commercial borrowers, issuance of bonds denominated in foreign currencies and foreign exchange deposits.

The management of the Group's foreign exchange risk is centralised in the Bank. The Bank strives to minimise the foreign exchange risk of the Group. For this purpose, the Bank maintains a balance of assets and liabilities in foreign currencies (by using a mix of FX spots, forwards and swaps transactions).

To measure the foreign exchange risk on an individual basis, the Bank calculates, on a daily basis, net currency positions and an FX Value at Risk (maximum expected loss per business day for the foreign currency portfolio at the 99% confidence level). The Bank uses the limits for the following metrics:

- ratio of the absolute value of the net currency position to capital for each foreign currency;
- ratio of the absolute value of the total net currency position to capital;
- absolute value of the net currency position for each foreign currency; and
- FX VaR.

On top of that, the foreign exchange risk of Trading book is managed by limits (intraday and end-of-day) for open FX spot position and by requirement to close each FX swap and FX forward transaction on a back-to-back basis.

As MONETA Auto and Building Savings Bank provide loans only in CZK and MONETA Leasing in EUR and CZK, the Bank measures on a consolidated basis only the net currency position in EUR (monthly frequency).

The foreign exchange risk at MONETA Leasing at an individual level is managed primarily by the funding structure (natural hedging due to EUR funding) and MONETA Leasing regularly closes its open FX position with the Bank.

The table below shows the FX VaR of the Bank.

CZK ths	31 Dec 2024	Average of daily values in 2024	31 Dec 2023	Average of daily values in 2023
FX VaR	2,524	2,668	4,177	2,909

The following table shows exposure of the Group to foreign exchange risk:

31 Dec 2024 CZK m	CZK	EUR	USD	Other currencies	Total CZK
Cash and cash balances at the central bank	13,257	167	78	39	13,541
Derivative financial instruments with positive fair values	145	451	-	-	596
Investment securities	111,599	5,025	40	-	116,664
Hedging derivatives with positive fair values	2,229	85	-	-	2,314
Change in fair value of items hedged on portfolio basis	200	-	-	-	200
Loans and receivables to banks	75,371	3,514	229	92	79,206
Loans and receivables to customers	260,570	14,793	20	-	275,383
Remaining assets	7,052	26	-	-	7,078
Total assets	**470,423**	**24,061**	**367**	**131**	**494,982**
Due to banks	19	3,804	11	-	3,834
Due to customers	409,674	18,791	1,452	104	430,021
Derivative financial instruments with negative fair values	99	433	-	-	532
Change in fair value of items hedged on portfolio basis	78	-	-	-	78
Hedging derivatives with negative fair values	1,925	2,334	-	-	4,259
Issued bonds	1,498	10,064	-	-	11,562
Subordinated liabilities	7,622	-	-	-	7,622
Remaining liabilities	3,778	1,392	22	3	5,195
Equity	31,879	-	-	-	31,879
Total liabilities and Equity	**456,572**	**36,818**	**1,485**	**107**	**494,982**
Net exchange rate balance sheet position	**13,851**	**(12,757)**	**(1,118)**	**24**	**-**
Receivables from spot and derivatives	1,914	14,610	1,309	13	17,846
Liabilities from spot and derivatives	15,899	1,825	75	20	17,819
Net exchange rate off-balance sheet position	**(13,985)**	**12,785**	**1,234**	**(7)**	**27**
Net exchange rate position	**(134)**	**28**	**116**	**17**	**27**

31 Dec 2023 CZK m	CZK	EUR	USD	Other currencies	Total CZK
Cash and cash balances at the central bank	10,607	162	65	37	10,871
Derivative financial instruments with positive fair values	113	431	-	-	544
Investment securities	100,315	4,008	30	-	104,353
Hedging derivatives with positive fair values	2,652	49	-	-	2,701
Change in fair value of items hedged on portfolio basis	122	-	-	-	122
Loans and receivables to banks	66,742	2,545	325	20	69,632
Loans and receivables to customers	247,101	15,918	45	-	263,064
Remaining assets	6,916	(19)	-	-	6,897
Total assets	**434,568**	**23,094**	**465**	**57**	**458,184**
Due to banks	21	5,393	9	-	5,423
Due to customers	388,280	9,838	1,264	115	399,497
Derivative financial instruments with negative fair values	102	421	-	-	523
Change in fair value of items hedged on portfolio basis	63	-	-	-	63
Hedging derivatives with negative fair values	2,100	2,448	-	-	4,548
Issued bonds	1,490	2,318	-	-	3,808
Subordinated liabilities	7,604	-	-	-	7,604
Remaining liabilities	3,575	915	20	5	4,515
Equity	32,203	-	-	-	32,203
Total liabilities and Equity	**435,438**	**21,333**	**1,293**	**120**	**458,184**
Net exchange rate balance sheet position	**(870)**	**1,761**	**(828)**	**(63)**	**-**
Receivables from spot and derivatives	2,193	1,232	1,064	71	4,560
Liabilities from spot and derivatives	1,412	3,076	77	-	4,565
Net exchange rate off-balance sheet position	**781**	**(1,844)**	**987**	**71**	**(5)**
Net exchange rate position	**(89)**	**(83)**	**159**	**8**	**(5)**

44.5 LIQUIDITY RISK

Liquidity risk represents the risk of inability to meet financial liabilities when due or to finance increase in assets.

The liquidity risk of subsidiaries is managed by the Bank (providing funding if needed). For liquidity and liquidity risk management, the banks in the Group (the Bank and the Building Savings Bank) created a liquidity sub-group. The Czech National Bank provided to the banks in the liquidity sub-group an exemption from certain liquidity requirements on individual levels, and so in 2024, the Czech National Bank supervised the Bank and the Building Savings Bank as the only liquidity sub-group for liquidity purposes.

The Group has access to diversified sources of financing, which include deposits, issued bonds, loans taken, as well as the Group's equity. The bond and money markets are used to further diversify sources of liquidity and to deposit excess cash (see chapter 5).

To manage liquidity risk, the Bank applies a system of limits applied on the following metrics:

- Liquidity positions in selected time buckets (on a daily basis);
- Loan to Deposit Ratio (on a monthly basis);
- Liquidity Coverage Ratio (on a monthly basis);
- Net Stable Funding Ratio (on a monthly basis);
- Liquidity Buffer (based on liquidity stress tests);
- Time to wall for selected scenarios (idiosyncratic, systemic and combined) (on a monthly basis);
- Concentration in deposits (on a monthly basis);
- Interbank Borrowing to Total Assets Ratio (on a monthly basis).

The Group also monitors a chosen set of Early Warning Indicators.

For the purpose of liquidity management under extraordinary circumstances, the Group has a contingency plan containing measures for recovering liquidity. The Bank's Treasury & ALM department regularly reviews the contingency plan and forwards it to the ALCO for approval.

(a) The table below summarises the remaining maturity of carrying amounts of assets, liabilities and equity according to their contractual maturity.

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	13,541	-	-	-	-	-	13,541
Derivative financial instruments with positive fair values	73	9	17	106	391	-	596
Investment securities	-	408	3,943	35,432	76,814	67	116,664
Hedging derivatives with positive fair values	-	6	67	855	1,386	-	2,314
Change in fair value of items hedged on portfolio basis	1	(1)	59	129	12	-	200
Loans and receivables to banks	76,690	-	-	-	-	2,516	79,206
Loans and receivables to customers[1)]	9,137	5,184	23,968	83,631	147,340	6,123	275,383
Investments in associates	-	-	-	-	-	3	3
Current tax assets	-	-	70	-	-	-	70
Remaining assets	193	-	673	13	3	6,123	7,005
Total Assets	**99,635**	**5,606**	**28,797**	**120,166**	**225,946**	**14,832**	**494,982**
Due to banks	863	-	-	2,566	-	405	3,834
Due to customers	363,083	43,692	10,208	12,260	563	215	430,021
Derivative financial instruments with negative fair values	43	8	15	85	381	-	532
Hedging derivatives with negative fair values	51	92	274	2,195	1,647	-	4,259
Provisions	-	-	-	-	-	263	263
Current tax liabilities	-	-	47	-	-	-	47
Change in fair value of items hedged on portfolio basis	-	-	-	78	-	-	78
Deferred tax liabilities	-	-	-	-	-	469	469
Issued bonds	-	37	127	3,893	7,505	-	11,562
Subordinated liabilities	92	30	-	4,909	2,591	-	7,622
Other liabilities	2,915	19	275	964	108	135	4,416
Equity	-	-	-	-	-	31,879	31,879
Total liabilities and equity	**367,047**	**43,878**	**10,946**	**26,950**	**12,795**	**33,366**	**494,982**
Net liquidity position of assets and liabilities and equity[2)]	**(267,412)**	**(38,272)**	**17,851**	**93,216**	**213,151**	**(18,534)**	**-**
Issued guarantees and credit limits on guarantees[3)]	**1,463**	**-**	**-**	**-**	**-**	**-**	**1,463**
Loan commitments[4)]	**4,974**	**4**	**26**	**52**	**-**	**-**	**5,056**

1) Loans and receivables to customers presented under the "Unspecified" category as at 31 December 2024 of CZK 6,123 million (31 December 2023: CZK 5,573 million) represent mainly the loans and receivables from Inventory Financing, loans and receivables that are overdue more than 1 month, allowances and deferred cost and fees that are an integral part of the effective interest rate and fair value adjustment resulting from the revaluation of acquired financial assets.
2) Net liquidity position of assets and liabilities and equity within 1 month of CZK (267,412) million as at 31 December 2024 (as at 31 December 2023 at CZK (240,612) million) is primarily due to the fact that contractual maturity of current accounts falls within 1 month.
3) Contents irrevocable Issued guarantees and credit limits on guarantees.
4) The loan commitments represent irrevocable loan commitments only relating to commercial investment loans, commercial auto & equipment loans and mortgages. Total undrawn commitments on credit cards are not included in the table above as, historically, average limit usage is significantly below 100% and this behaviour is expected to continue.

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	10,871	-	-	-	-	-	10,871
Derivative financial instruments with positive fair values	2	4	33	125	380	-	544
Investment securities	-	299	1,424	31,213	71,361	56	104,353
Hedging derivatives with positive fair values	8	14	144	995	1,540	-	2,701
Change in fair value of items hedged on portfolio basis	(2)	(13)	(66)	191	12	-	122
Loans and receivables to banks	67,392	-	-	-	-	2,240	69,632
Loans and receivables to customers[1)]	9,301	5,442	23,551	82,447	136,750	5,573	263,064
Investments in associates	-	-	-	-	-	3	3
Current tax assets	-	-	76	-	-	-	76
Remaining assets	179	-	544	4	3	6,088	6,818
Total Assets	**87,751**	**5,746**	**25,706**	**114,975**	**210,046**	**13,960**	**458,184**
Due to banks	2,329	-	2,531	-	-	563	5,423
Due to customers	323,787	21,374	40,124	12,650	1,292	270	399,497
Derivative financial instruments with negative fair values	14	3	31	106	369	-	523
Hedging derivatives with negative fair values	3	2	128	2,214	2,201	-	4,548
Provisions	-	-	-	-	-	266	266
Current tax liabilities	-	-	54	-	-	-	54
Change in fair value of items hedged on portfolio basis	(2)	(7)	(31)	103	-	-	63
Deferred tax liabilities	-	-	-	-	-	462	462
Issued bonds	-	37	5	3,766	-	-	3,808
Subordinated liabilities	92	-	18	2,913	4,581	-	7,604
Other liabilities	2,140	14	240	921	300	118	3,733
Equity	-	-	-	-	-	32,203	32,203
Total liabilities and equity	**328,363**	**21,423**	**43,100**	**22,673**	**8,743**	**33,882**	**458,184**
Net liquidity position of assets and liabilities and equity[2)]	**(240,612)**	**(15,677)**	**(17,394)**	**92,302**	**201,303**	**(19,922)**	**-**
Issued guarantees and credit limits on guarantees[3)]	**1,119**	**-**	**-**	**-**	**-**	**-**	**1,119**
Loan commitments[4)]	**3,538**	**4**	**19**	**183**	**-**	**-**	**3,744**

1) Loans and receivables to customers presented under the "Unspecified" category as at 31 December 2024 of CZK 6,123 million (31 December 2023: CZK 5,573 million) represent mainly the loans and receivables from Inventory Financing, loans and receivables that are overdue more than 1 month, allowances and deferred cost and fees that are an integral part of the effective interest rate and fair value adjustment resulting from the revaluation of acquired financial assets.
2) Net liquidity position of assets and liabilities and equity within 1 month of CZK (267,412) million as at 31 December 2024 (as at 31 December 2023 at CZK (240,612) million) is primarily due to the fact that contractual maturity of current accounts falls within 1 month.
3) Contents irrevocable Issued guarantees and credit limits on guarantees.
4) The loan commitments represent irrevocable loan commitments only relating to commercial investment loans, commercial auto & equipment loans and mortgages. Total undrawn commitments on credit cards are not included in the table above as, historically, average limit usage is significantly below 100% and this behaviour is expected to continue.

(b) The table below shows the remaining contractual maturity of non-derivative financial liabilities and issued financial guarantees and loan commitments held for the Group's liquidity management purposes. The amounts include contractual non-discounted cash flows.

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Due to banks	863	42	42	2,666	-	405	4,018
Due to customers	363,083	43,917	10,523	12,760	563	215	431,061
Issued bonds	-	41	453	5,595	7,889	-	13,978
Subordinated liabilities	99	57	57	6,492	2,700	-	9,405
Other liabilities	2,915	19	275	964	108	135	4,416
Total non-derivative financial liabilities	**366,960**	**44,076**	**11,350**	**28,477**	**11,260**	**755**	**462,878**
Issued guarantees and credit limits on guarantees	**1,463**	**-**	**-**	**-**	**-**	**-**	**1,463**
Loan commitments[1)]	**4,974**	**4**	**26**	**52**	**-**	**-**	**5,056**

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Due to banks	2,329	-	2,596	-	-	563	5,488
Due to customers	323,787	21,507	41,318	13,377	1,293	270	401,552
Issued bonds	-	40	120	4,373	-	-	4,533
Subordinated liabilities	99	-	66	4,508	4,865	-	9,538
Other liabilities	2,140	14	240	921	300	118	3,733
Total non-derivative financial liabilities	**328,355**	**21,561**	**44,340**	**23,179**	**6,458**	**951**	**424,844**
Issued guarantees and credit limits on guarantees	**1,119**	**-**	**-**	**-**	**-**	**-**	**1,119**
Loan commitments[1)]	**3,538**	**4**	**19**	**183**	**-**	**-**	**3,744**

1) The loan commitments represent irrevocable loan commitments only relating to commercial investment loans, commercial auto & equipment loans and mortgages.

(c) The table below shows the remaining contractual maturity of liabilities from financial derivatives:

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Held for trading derivatives						
Currency swaps	1	-	-	-	-	1
Interest rate swaps	-	-	-	62	381	443
Currency forwards	5	8	15	23	-	51
Cross currency interest rate swaps	37	-	-	-	-	37
Hedging derivatives						
Interest rate swaps	51	92	214	2,143	1,647	4,147
Cross currency interest rate swaps	-	-	60	52	-	112
Total financial derivatives	**94**	**100**	**289**	**2,280**	**2,028**	**4,791**

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Held for trading derivatives						
Currency swaps	13	-	-	-	-	13
Interest rate swaps	-	-	-	53	369	422
Currency forwards	1	3	31	26	-	61
Cross currency interest rate swaps	-	-	-	27	-	27
Hedging derivatives						
Interest rate swaps	3	2	128	2,156	2,201	4,490
Cross currency interest rate swaps	-	-	-	58	-	58
Total financial derivatives	**17**	**5**	**159**	**2,320**	**2,570**	**5,071**

(d) The table below shows the remaining expected maturity of assets and liabilities as follows:

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	13,541	-	-	-	-	-	13,541
Derivative financial instruments with positive fair values	73	9	17	106	391	-	596
Investment securities	113,208[2)]	8	28	2,683	670	67	116,664
Hedging derivatives with positive fair values	-	6	67	855	1,386	-	2,314
Change in fair value of items hedged on portfolio basis	1	(1)	59	129	12	-	200
Loans and receivables to banks	76,690	-	-	-	-	2,516	79,206
Loans and receivables to customers	10,394	12,436	47,365	124,466	78,542	2,180	275,383
Investments in associates	-	-	-	-	-	3	3
Current tax assets	-	-	70	-	-	-	70
Remaining assets	193	-	673	13	3	6,123	7,005
Total Assets	**214,100**	**12,458**	**48,279**	**128,252**	**81,004**	**10,889**	**494,982**
Due to banks	863	-	-	2,566	-	405	3,834
Due to customers[1)]	67,135	51,314	78,027	178,893	54,437	215	430,021
Derivative financial instruments with negative fair values	43	8	15	85	381	-	532
Hedging derivatives with negative fair values	51	92	274	2,195	1,647	-	4,259
Provisions	-	-	-	-	-	263	263
Current tax liability	-	-	47	-	-	-	47
Change in fair value of items hedged on portfolio basis	-	-	-	78	-	-	78
Deferred tax liability	-	-	-	-	-	469	469
Issued bonds	-	37	127	3,893	7,505	-	11,562
Subordinated liabilities	92	30	-	4,909	2,591	-	7,622
Other liabilities	2,915	19	275	964	108	135	4,416
Equity	-	-	-	-	-	31,879	31,879
Total liabilities and equity	**71,099**	**51,500**	**78,765**	**193,583**	**66,669**	**33,366**	**494,982**
Net liquidity position	**143,001**	**(39,042)**	**(30,486)**	**(65,331)**	**14,335**	**(22,477)**	**-**

1) Balances are allocated to the buckets based on the expected maturity of non-maturity deposits and contractual maturity date of term deposits. Expected maturity of non-maturity deposits is a function of deposits' volatility and the average life of the non-volatile part.
2) Balance reported within 1 month represents Government bonds which may be used as a collateral in repo transactions.

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	10,871	-	-	-	-	-	10,871
Derivative financial instruments with positive fair values	2	4	33	125	380	-	544
Investment securities	101,070[2)]	-	23	3,004	200	56	104,353
Hedging derivatives with positive fair values	8	14	144	995	1,540	-	2,701
Change in fair value of items hedged on portfolio basis	(2)	(13)	(66)	191	12	-	122
Loans and receivables to banks	67,392	-	-	-	-	2,240	69,632
Loans and receivables to customers	9,650	11,832	45,454	122,163	71,431	2,534	263,064
Investments in associates	-	-	-	-	-	3	3
Current tax assets	-	-	76	-	-	-	76
Remaining assets	179	-	544	4	3	6,088	6,818
Total Assets	**189,170**	**11,837**	**46,208**	**126,482**	**73,566**	**10,921**	**458,184**
Due to banks	2,329	-	2,531	-	-	563	5,423
Due to customers[1)]	52,655	20,414	78,547	176,986	70,625	270	399,497
Derivative financial instruments with negative fair values	14	3	31	106	369	-	523
Hedging derivatives with negative fair values	3	2	128	2,214	2,201	-	4,548
Provisions	-	-	-	-	-	266	266
Current tax liability	-	-	54	-	-	-	54
Change in fair value of items hedged on portfolio basis	(2)	(7)	(31)	103	-	-	63
Deferred tax liability	-	-	-	-	-	462	462
Issued bonds	-	37	5	3,766	-	-	3,808
Subordinated liabilities	92	-	18	2,913	4,581	-	7,604
Other liabilities	2,140	14	240	921	300	118	3,733
Equity	-	-	-	-	-	32,203	32,203
Total liabilities and equity	**57,231**	**20,463**	**81,523**	**187,009**	**78,076**	**33,882**	**458,184**
Net liquidity position	**131,939**	**(8,626)**	**(35,315)**	**(60,527)**	**(4,510)**	**(22,961)**	**-**

1) Balances are allocated to the buckets based on the expected maturity of non-maturity deposits and contractual maturity date of term deposits. Expected maturity of non-maturity deposits is a function of deposits' volatility and the average life of the non-volatile part.
2) Balance reported within 1 month represents Government bonds which may be used as a collateral in repo transactions.

44.6 OPERATIONAL RISK

Operational risk represents the risk of a loss resulting from inadequate or failed internal processes, people or systems, or from external events, including the risk of loss due to a breach of, or failure to comply with, a legal or regulatory requirement, or a threat to the Group's reputation. It also includes legal and outsourcing risk.

The Group implemented standardised tools and processes for operational risk management, including Risk & Control Self-Assessment (RCSA), Loss Data Collection of actual internal operational risk losses, monitoring of external operational risk events, Key Risk Indicators, scenario analyses, and Issue management that is used to record, monitor and report identified risks and issues. The Issue management system is also used for monitoring the relevant action plans, if applicable, and is closely linked to the RCSA process. The Group continually develops and improves these tools and processes.

The Bank's Management Board specifically approves the operational risk governance structure and framework, and the Group's objectives for operational risk management and decides about acceptance of major risks if there are no feasible remedial measures.

The Operational Risk Committee (ORCO) oversees the Group's operational risk management process and approves methods, limits and Key Risk Indicators, monitors adherence to approved limits and Key Risk Indicators and approves principal changes in the insurance programme.

More details about operational risk and its management are comprised in section 5.5 of the Annual financial report.

44.6.1 Legal Risk

Dealing with legal risk and managing it means minimising uncertainty associated with enforcement and interpretation of applicable law, contracts and regulations. In addition to standard legal functions in the various areas such as contract, banking and corporate law, the main tasks of the Group's lawyers during 2024 consisted of keeping both the retail and commercial contractual documentation aligned with both the business strategy and various needs of the business departments of the Group, as well as new regulations. The Group continuously monitors legal disputes and provision is created for the estimated amount of payment if it is more probable than not that the cash outflow will have to be made.

45. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The following table shows the carrying value and fair values of financial assets and liabilities that are not presented at fair value in the Group's consolidated statement of financial position. The fair value includes also anticipated future losses.

The Group uses the following inputs and techniques to estimate the fair value for asset and liability categories:

- **Cash and cash balances at the central bank**
  The carrying value of cash and cash balances at the central bank approximates their fair value.
- **Loans and receivables to banks**
  The carrying value of receivables to banks approximates their fair values due to the short maturity of those receivables.
- **Loans and receivables to customers**
  The fair value of loans is estimated on the basis of discounted future expected cash flows using the interest rate common for loans with similar credit risk and interest risk conditions profile and maturity dates (discounted rate technique according to IFRS 13). For impaired loans the present value of future expected cash flows including the expected proceeds from a collateral foreclosure, if any.
- **Due to banks**
  The carrying value of Due to banks in principle approximates their fair value due to the short maturity of these deposits.
- **Due to customers**
  The fair value of deposits repayable on demand at request and term deposits bearing a variable interest rate are equal to their carrying value as at the balance sheet date. The fair value of term deposits with a fixed interest rate is estimated on the basis of discounted cash flows using the market interest rates.
- **Investment securities at amortised cost**
  The difference between fair value and carrying value of investment securities measured at amortised cost is mainly driven by different market and effective interest rates of government bonds included in this portfolio.
- **Subordinated liabilities and Issued bonds**
  The difference between fair value and carrying value of subordinated debt securities, subordinated deposits and issued bonds measured at amortised cost is determined on the basis of discounted cash flows using the market interest rates.

	31 Dec 2024		31 Dec 2023	
CZK m	Carrying value	Fair value	Carrying value	Fair value
FINANCIAL ASSETS				
Cash and cash balances at the central bank	13,541	13,541	10,871	10,871
Investment securities at amortised cost[1)]	116,597	109,555	104,297	97,580
Loans and receivables to banks	79,206	79,206	69,632	69,632
Loans and receivables to customers	275,383	273,867	263,064	256,840
FINANCIAL LIABILITIES				
Due to banks	3,834	3,851	5,423	5,423
Due to customers	430,021	430,021	399,497	399,497
Issued bonds	11,562	12,654	3,808	4,100
Subordinated debt securities	4,706	4,672	4,690	4,546
Subordinated deposits[2)]	2,916	3,014	2,914	3,042

1) Difference between fair value and carrying value is mainly driven by different market and effective interest rates of the Government bonds.
2) When calculating the discount rate, the Group assumes that primarily credit and liquid markup has not changed significantly since the origination of the subordinated deposits, thus the change in interest rate is the main driver of the discount rate. In case of significant changes in the other components, the discount rate calculation will be adjusted accordingly.

Investment securities measured at amortised cost are classified as level 1 because fair value is based on quoted prices on active market. Cash and cash balances at the central bank, loans and receivables to banks and due to banks are classified as level 2 and all other fair values presented above are classified as level 3 as the data used for the estimation of the discount rate are not based on the data from the active market. There are assumptions applied for the estimation of the cash flows used for discounting taking into account expected repayment profile of the particular pool or product. The discount rates used for discounting are based on the rates of the major competitors or other benchmark rates for similar type of assets.

The following table summarises the hierarchy of fair values of financial assets and financial liabilities that are carried at fair value in the statement of financial position:

	31 Dec 2024			31 Dec 2023		
CZK m	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
FINANCIAL ASSETS						
Derivative financial instruments with positive fair values	-	596	-	-	544	-
Debt securities measured at FTVPL	-	-	41	-	-	30
Equity securities measured at FVTPL	-	-	25	-	-	25
Equity securities measured at FVTOCI	-	-	1	-	-	1
Hedging derivatives with positive fair values	-	2,314	-	-	2,701	-
Change in fair value of items hedged on portfolio basis	-	-	200	-	-	122
FINANCIAL LIABILITIES						
Derivative financial instruments with negative fair values	-	532	-	-	523	-
Hedging derivatives with negative fair values	-	4,259	-	-	4,548	-
Change in fair value of items hedged on portfolio basis	-	-	78	-	-	63

There were no transfers between level 1 and 2 during the year 2024 nor 2023.

The Group uses the following inputs and techniques to determine fair value under level 2 and level 3:

The level 2 assets include mainly financial derivatives, corporate bonds and treasury bills. For derivative exposures the fair value is estimated using the present value of the cash flows resulting from the transactions taking into account market inputs like FX spot and forward rates, benchmark interest rates, swap rates, etc. The fair value of corporate bonds, treasury bills is calculated as the present value of cash flows using the benchmark interest rates.

The level 3 assets include equity instruments not traded on the market where the fair value is calculated using the valuation techniques including expert appraisals.

Movement analysis of level 3 financial assets and liabilities:

CZK m	**As at 1 Jan 2024**	**Purchases/ Sales in the period**	**Total gains and losses in the period recognised in the income statement**	**Total gains and losses in the period recognised in OCI**	**As at 31 Dec 2024**
Investment securities at FVTOCI	1	-	-	-	1
Investment securities at FVTPL	55	-	11	-	66
Total	**56**	**-**	**11**	**-**	**67**

CZK m	**As at 1 Jan 2023**	**Purchases/ Sales in the period**	**Total gains and losses in the period recognised in the income statement**	**Total gains and losses in the period recognised in OCI**	**As at 31 Dec 2023**
Investment securities at FVTOCI	1	-	-	-	1
Investment securities at FVTPL	71	(23)	7	-	55
Total	**72**	**(23)**	**7**	**-**	**56**

46. MANDATORY PUBLISHED INFORMATION

The Group quarterly publishes the mandatory information according to CNB Decree No. 163/2014 Coll. and Part 8 of Regulation of the European Parliament and the Council (EU) No. 575/2013 of 26 June 2013 on its website in the section Mandatory information at the following address: https://investors.moneta.cz/financial-results.

47. SUBSEQUENT EVENTS

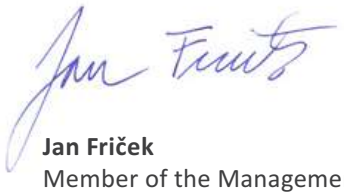
There have been no subsequent events arising after 31 December 2024 that would have a material impact on these consolidated financial statements.

Signature of statutory representatives

In Prague, on 17 March 2025



Tomáš Spurný
Chairman of the Management Board and CEO
MONETA Money Bank, a.s.



Jan Friček
Member of the Management Board and CFO
MONETA Money Bank, a.s.

We are MONETA



MONETA helps

Volunteering has a long tradition at MONETA, and we are actively involved in the projects of non-profit organisations such as animal shelters, day care centres, parks and nature reserves, zoos and homes for the elderly.

SEPARATE FINANCIAL STATEMENTS OF MONETA MONEY BANK, a.s.

As at and for the Year Ended 31 December 2024
Prepared according to IFRS Accounting Standards as adopted by the European Union

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024

CZK m	Note	2024	2023
Interest and similar income[1)]		20,592	20,490
Interest expense and similar charges		(13,151)	(13,351)
Net interest income	**6**	**7,441**	**7,139**
Fee and commission income		3,475	2,961
Fee and commission expense		(641)	(579)
Net fee and commission income	**7**	**2,834**	**2,382**
Dividend income	8	1,685	1,294
Net income from financial operations	9	859	878
Other operating income	10	162	132
Total operating income		**12,981**	**11,825**
Personnel expenses	11	(2,582)	(2,428)
Administrative expenses	12	(1,508)	(1,578)
Regulatory charges	13	(204)	(287)
Depreciation and amortisation	14	(1,181)	(1,189)
Other operating expenses	15	(63)	(50)
Total operating expenses		**(5,538)**	**(5,532)**
Profit for the period before tax and net impairment of financial assets		**7,443**	**6,293**
Net impairment of financial assets	16	(352)	(268)
Profit for the period before tax		**7,091**	**6,025**
Taxes on income	17	(700)	(645)
Profit for the period after tax		**6,391**	**5,380**
Items that will not be reclassified to profit or loss			
- Change in fair value of Investment securities recognised in OCI		-	-
Items that may be reclassified subsequently to profit or loss			
- Movement in hedging reserve:		-	-
- Cash flow hedges – effective portion of changes in fair value		-	-
- Deferred tax	38.2	-	-
Other comprehensive income, net of tax		**-**	**-**
Total comprehensive income attributable to the equity holders		**6,391**	**5,380**
Profit for the year after tax attributable to the equity holders		**6,391**	**5,380**
Profit for the year after tax attributable to the equity holders per share			
Weighted average of ordinary shares (millions of shares)		511	511
Basic earnings per share (in CZK)	18	12.51	10.53
Diluted earnings per share (in CZK)	18	12.51	10.53

1) Calculated using the effective interest method with the exception of hedging derivatives.

SEPARATE STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

CZK m	Note	31 Dec 2024	31 Dec 2023
Assets			
Cash and cash balances at the central bank[1)]	19	13,421	10,534
Derivative financial instruments with positive fair values	27	596	544
Investment securities	24	113,177	100,825
Hedging derivatives with positive fair values	27	2,314	2,701
Change in fair value of items hedged on portfolio basis		200	122
Loans and receivables to banks	22	78,041	69,232
Loans and receivables to customers	23	259,933	245,881
Intangible assets	28	3,205	3,158
Property and equipment	29	2,259	2,398
Investments in subsidiaries and associates	30	4,468	4,466
Current tax assets	31	59	57
Other assets	33	1,289	967
TOTAL ASSETS		**478,962**	**440,885**
Liabilities			
Derivative financial instruments with negative fair values	27	532	523
Due to banks	34	4,048	5,451
Due to customers	35	403,674	371,574
Hedging derivatives with negative fair values	27	4,259	4,548
Change in fair value of items hedged on portfolio basis		78	63
Issued bonds	25	20,996	14,294
Subordinated liabilities	26	7,622	7,604
Provisions	36	262	266
Deferred tax liabilities	32	334	327
Other liabilities	37	4,174	3,511
Total liabilities		**445,979**	**408,161**
Equity			
Share capital	38	10,220	10,220
Statutory reserve	38	102	102
Other reserves		1	1
Retained earnings		22,281	22,022
Effect of business combination under common control		379	379
Total equity		**32,983**	**32,724**
TOTAL LIABILITIES AND EQUITY		**478,962**	**440,885**

1) The caption of the line has been changed to “Cash and cash balances at the central bank” without any change to the items reported. The previous caption of the line was “Cash and balances with the central bank”.

SEPARATE STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

CZK m	Share capital	Statutory reserve	Reserve from revaluation of FVTOCI	Retained earnings	Effect of business combination under common control	Total
Balance as reported 1 January 2024	**10,220**	**102**	**1**	**22,022**	**379**	**32,724**
Transactions with owners of the company						
- Dividends	-	-	-	(6,132)	-	(6,132)
Total comprehensive income						
Profit for the year after tax	-	-	-	6,391	-	6,391
Other comprehensive income after tax						
- Change in fair value of FVTOCI investment securities	-	-	-	-	-	-
- Cash-flow hedges – effective portion of changes in fair value	-	-	-	-	-	-
- Deferred tax	-	-	-	-	-	-
Balance 31 December 2024	**10,220**	**102**	**1**	**22,281**	**379**	**32,983**

SEPARATE STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2023

CZK m	Share capital	Statutory reserve	Reserve from revaluation of FVTOCI	Retained earnings	Effect of business combination under common control	Total
Balance as reported 1 January 2023	**10,220**	**102**	**1**	**20,730**	**379**	**31,432**
Transactions with owners of the company						
- Dividends	-	-	-	(4,088)	-	(4,088)
Total comprehensive income						
Profit for the year after tax	-	-	-	5,380	-	5,380
Other comprehensive income after tax						
- Change in fair value of FVTOCI investment securities	-	-	-	-	-	-
- Cash-flow hedges – effective portion of changes in fair value	-	-	-	-	-	-
- Deferred tax	-	-	-	-	-	-
Balance 31 December 2023	**10,220**	**102**	**1**	**22,022**	**379**	**32,724**

SEPARATE STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

CZK m	Note	2024	2023
Cash flows from operating activities			
Profit for the year after tax		**6,391**	**5,380**
Adjustments for:			
Depreciation and amortisation	14	1,181	1,189
Net impairment of financial assets (excl. cash collection and recovery)	16	338	279
Net gain on revaluation of investment securities	9	(10)	(6)
Accrued coupon, amortisation of discount/premium of investment securities		831	550
Accrued interest income from derivatives		796	955
Accrued interest income from loans and receivables to customers and banks[1)]		455	93
Accrued interest expense due to customers and banks[1)]		(485)	261
Net gain/loss from revaluation of hedging derivatives	9	(751)	4,915
Net gain/loss from revaluation of items hedged on portfolio basis	9	771	(5,009)
Net gain/loss from unrealised FX		(43)	(7)
Change in provisions not recognised in depreciation and amortisation		7	(8)
Net gain/loss on sale of investment securities		(59)	(26)
Net loss on sale and other disposal of tangible and intangible assets	28, 29	2	5
Share of profit or loss of associates accounted for using the equity method	9	(3)	-
Dividend income	8	(1,685)	(1,294)
Tax expense	17	700	645
		8,436	**7,922**
Changes in:			
Loans and receivables to customers and banks[1)]	22, 23	(15,169)	2,384
Other assets	33	(322)	27
Due to banks[1)]	34	(1,372)	(573)
Due to customers[1)]	35	32,554	66,986
Other liabilities	37	768	84
		24,895	**76,830**
Income taxes paid		(694)	(1,130)
Net cash used in operating activities		**24,201**	**75,700**
Cash flows from investing activities			
Acquisition of investment securities		(15,191)	(45,320)
Proceeds from investment securities		1,549	1,817
Acquisition of property and equipment and intangible assets	28, 29	(886)	(775)
Proceeds from the sale of property and equipment and intangible assets	28, 29	14	36
Dividends received		1,688	1,294
Net cash used in investing activities		**(12,826)**	**(42,948)**

CZK m	Note	2024	2023
Cash flows from financing activities			
Proceeds from issued bonds		9,474	-
Repayment of issued bonds		(3,050)	(4,125)
Proceeds from subordinated deposits		-	2,922
Payments of lease liabilities		(309)	(298)
Dividends paid		(6,132)	(4,088)
Net cash used in financing activities		**(17)**	**(5,589)**
Net change in cash and cash equivalents		**11,358**	**27,163**
Cash and cash equivalents at beginning of period	**20**	**77,526**	**50,319**
Effect of exchange rate fluctuations on cash and cash equivalents held		62	44
Cash and cash equivalents at end of period	**20**	**88,946**	**77,526**
Interest received[2)]		27,480	24,785
Interest paid[2)]		(18,608)	(16,138)

1) In 2024, the Bank added separate lines “Accrued interest income on loans and receivables to customers and banks” and “Accrued interest expense due to customers and banks”. For the purpose of comparability, the previous period has been adjusted
2) Lines “Interest received” and “Interest paid” represent interest paid by customers and counterparties and received from customers and counterparties, respectively, and are included in cash flows from operating activities.

NOTES TO SEPARATE FINANCIAL STATEMENTS OF MONETA MONEY BANK, a.s.

As at and for the Year Ended 31 December 2024
Prepared according to IFRS Accounting Standards as adopted by the European Union

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1. GENERAL INFORMATION

MONETA Money Bank (the "Bank") is a joint-stock company incorporated and domiciled in the Czech Republic, its registered office and principal place of business is Vyskočilova 1442/1b, Michle, 140 00 Prague 4, post code 140 28, Czech Republic, ID Number: 25672720, incorporated in the Commercial Register by the Municipal Court in Prague, Section B, Entry No. 5403, ISIN number: CZ0008040318.

The latest available list of entities recorded in the registry of book-entry shares of the Bank kept by the Central Securities Depository in Prague (Centrální depozitář cenných papírů, a.s.) with a shareholding interest of more than 1% of the Bank's registered share capital is available in the investor relations section of the Bank's website at: https://investors.moneta.cz/shares. Such entities may not necessarily be the beneficial shareholders of the Bank but may hold shares of the Bank for the beneficial shareholders (such as securities brokers, banks, custodians or nominees).

Please refer to chapter 1.4 of the Annual financial report to the section "Shareholder structure" for the information on the shareholder structure of the Bank as at 31 December 2024. As far as the Bank is aware, no shareholder was a controlling entity of the Bank as at 31 December 2024.

The Bank operates in the Czech Republic and focuses primarily on secured and unsecured consumer lending and commercial financing. The consumer portfolio consists of secured and unsecured lending. Unsecured lending products include consumer loans, credit cards and personal overdrafts. Secured lending is provided in the form of mortgages. Commercial lending products range from working capital, investment loans, financing of small businesses and entrepreneurs through guarantees, letters of credits and foreign exchange transactions. The Bank provides a wide range of deposit and transactional products to retail and commercial customers.

The Bank issues debit and credit cards in cooperation with VISA and cooperates with EVO Payments International in acquiring services. In addition, the Bank intermediates additional payment protection insurance which covers the customer's monthly loan payment in the event of unemployment, accident or sickness. The Bank also acts as the intermediary to provide its customers with other insurance and investment products.

The Bank's separate financial statements were authorised for issue by the Management Board on 17 March 2025, examined by Supervisory Board and recommended to be published on 18 March 2025. In addition, the financial statements are subject to approval at the General Meeting of shareholders.

All press releases, financial reports and other information are available on the Bank's website: www.moneta.cz.

The Bank has not prepared a separate annual financial report, because the Bank includes the respective information in the consolidated annual financial report.

2. BASIS OF PREPARATION

2.1 BASIS OF PRESENTATION

The financial statements contained herein are separate financial statements of the Bank prepared in accordance with IFRS Accounting Standards as adopted by the European Union (IFRS® Accounting Standards).

IFRS Accounting Standards as adopted by the European Union comprise accounting standards issued or adopted by the International Accounting Standards Board (IASB) as well as interpretations issued or adopted by the IFRS Interpretations Committee (IFRIC).

These financial statements were not prepared for any special purpose such as potential merger or acquisition.

2.2 GOING CONCERN

The separate financial statements are prepared on a going concern basis, as the Management Board is satisfied that the Bank has the resources to continue in business for the foreseeable future. In making this assessment, the Management Board has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The Bank's financial statements are presented in the Czech Koruna (CZK) which is the Bank's functional currency. All amounts have been rounded to the nearest million, except where otherwise indicated.

2.4 MEASUREMENT

The separate financial statements have been prepared on a historical cost basis, except for, investment securities measured at fair value through other comprehensive income (FVTOCI), investment securities measured at fair value through profit or loss (FVTPL) and derivative financial instruments which have been measured at fair value. The carrying values of recognised assets that are hedged items in fair value

hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged, and this adjustment is either reported on a separate line of the statement of financial position in the case of the application of portfolio fair value hedges, or is directly adjusting carrying value of the hedged item in the case of micro hedges.

3. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the Bank's financial statements in conformity with IFRS Accounting Standards requires the use of estimates and judgements about future conditions. In view of the inherent uncertainties and the high level of subjectivity involved in the recognition or measurement of the items listed below, it is possible that the outcomes in the next financial year could differ from those on which management's estimates are based, resulting in materially different conclusions from those reached by management for the purposes of the 2024 Separate Financial Statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements and estimates in applying accounting policies that have the most significant effect on the amounts recognised in the Bank's financial statements is included in the following notes:

- Deferred tax assets and liabilities – note 32;
- Impairment of financial assets – notes 16 and 43;
- Provisions – note 36;
- Fair value – note 44;
- Classification of leases – note 5.10;
- Classification of financial assets – note 5.6.2.

Significant estimates related to future development of prepayments of the loan's notional amount were made by the management of the Bank in the area of expected cash flows from loan receivables which are used for determination of amortised cost of the debt financial assets.

Impact of the current macroeconomic environment

Significant judgements made by the management in applying the Bank's accounting policies and the key sources of uncertainty estimation were significantly impacted mainly by macroeconomic effects of high interest-rate environment which were reflected in the loan loss allowances level through management overlays.

Further description of these impacts is provided in the following notes:

- Net impairment of financial assets – note 16;
- Credit Risk – note 43.2.

4. NEW IFRS ACCOUNTING STANDARDS AND INTERPRETATIONS

4.1 STANDARDS AND AMENDMENTS EFFECTIVE AFTER 31 DECEMBER 2024 ISSUED BY THE IASB AND ENDORSED BY THE EU

(a) New standards and amendments to the existing standards with a significant impact on the Bank

None.

(b) New standards and amendments to the existing standards with a minor or no impact on the Bank

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025).

4.2 STANDARDS AND AMENDMENTS EFFECTIVE AFTER 31 DECEMBER 2024 ISSUED BY THE IASB AND NOT ENDORSED BY THE EU

The below listed new accounting standards and amendments to the existing standards have been published by the IASB that are not mandatory for reporting periods ended 31 December 2024 and have not been adopted by the European Union. The Bank intends to adopt these standards and amendments, if applicable, when they become effective as endorsed by the EU. The Bank's assessment of the impact of these new standards and amendments is set out below.

(a) IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. The new standard introduces new categories and subtotals in the statement of profit or loss and prescribes disclosure of management-defined performance measures (MPM). The standard also brings new requirements for the location, aggregation and disaggregation of financial information.

Requirements regarding Statement of profit or loss

All income and expense items shall be classified into one of the five categories: operating, investing, financing, income taxes, and discontinued operations. On top of that the standard requires the presentation of subtotals such as "Operating profit or loss", "Profit or loss before financing and income taxes" and "Profit or loss". Classification is influenced by main the business activity defined by the standard as "Investing in particular types of assets" and "Provision of financing to customers". The entity may be subject to one of them or both.

Management-defined performance measures

The standard introduces the concept of a management-defined performance measure (MPM) which is in general the subtotal of income and expenses that an entity uses to externally communicate management's view on the financial performance of the entity to users of financial statements. The standard requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires disclosures to be made about each MPM, such as how the measure is calculated or a reconciliation to the most comparable subtotal of the Statement of profit or loss.

Aggregation and disaggregation and location of information

The standard differentiate between "presentation" within primary financial statements and "disclosure" within notes to financial statements and prescribes which items shall be presented and which shal be presented and/or disclosed. Aggregation and disaggregation shall be done with reference to similar and dissimilar characteristics and also with respect to the materiality of the information.

The amendments shall be effective for annual periods beginning 1 January 2027.

The Bank is currently evaluating the impact of the new standard on the Banks´s primary financial statements and notes.

(b) New standards and amendments to the existing standards with a minor or no impact on the Bank

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
- Annual Improvements to IFRS Accounting Standards – Volume 11 (effective for annual periods beginning on or after 1 January 2026);
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).

5. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Bank applies accounting policies consistently with the exception described in chapter 5.1 Changes in accounting policies. These changes resulted from the adoption of new standards or amendments as listed below. However, none of those standards or amendments have material impact on the Bank's financial statements.

5.1 CHANGES IN ACCOUNTING POLICIES – NEWLY EFFECTIVE AND ENDORSED IFRS ACCOUNTING STANDARDS

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current and Classification of Liabilities as Current or Non-Current – Deferral of Effective Date (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 1 Presentation of Financial Statements – Non-Current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024).

5.2 FOREIGN CURRENCY

The separate financial statements are presented in the Czech Koruna (CZK), which is also the Bank's functional currency. Transactions in foreign currencies are translated into the functional currency of the Bank at the exchange rates published by the Czech National Bank at the date of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the profit or loss in "Net income from financial operations".

5.3 INTEREST

Interest income or expense from all interest-bearing financial instruments recognised using the effective interest rate is reported in the profit or loss in the line items “Interest and similar income” and “Interest expense and similar charges” respectively as part of revenue and expenses from continuing operations. Additionally, interest income and expense from hedging derivatives is reported in the same lines.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability. The effective interest rate is a rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability to their carrying amount. When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument and includes transaction costs and fees paid or received that are an integral part of the effective interest rate but excludes future credit losses.

Transaction costs include incremental costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Interest income and expense presented in the profit or loss include:

- Interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis;
- Interest on interest rate derivatives designated as hedging derivatives using the contractual interest rate of the corresponding derivative.

If the financial asset is considered impaired, the interest income representing the time value of money between the impairment event and the estimated recovery date continues to be recognised using the effective interest rate method (unwinding) and the effective interest rate is applied on the financial asset’s net carrying amount. The Bank calculates the unwinding for the period using an individual deal-by-deal approach and individual effective interest rates.

5.4 FEES AND COMMISSIONS

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Bank recognises revenue when it transfers control over a service to a customer.

The following is a description of principal activities of the Bank including their nature and timing of the satisfaction of performance obligation in contracts with customers, as well as significant payment terms and related revenue recognition policies.

The Bank provides banking and lending and distribution of third-party products to retail or commercial customers, such as account management, provision of overdraft facilities, foreign currency transactions, credit cards, lending services and inventory financing, distributing asset management and insurance products.

Fees and commissions paid or received that are directly attributable to the issue or acquisition of a financial asset or financial liability are an integral part of the effective interest rate on that financial asset or financial liability and are included in the measurement of the effective interest rate.

Revenue from commission-based fees for arranging the sale of third party insurance and investment products is recognised at the point in time when the respective contract is concluded. The Bank has evaluated that it acts as an agent as the Bank does not control the provided services that are transferred to the customer (the Bank does not integrate the related services and does not have discretion in establishing the price). Therefore, the Bank recognises only the net amount of expected consideration as revenue. The commission fee is typically derived from the volume of arranged contract as well as the respective contract performance. The Bank has evaluated that the performance-based fee shall not be included in the measurement of transaction price as variable consideration, because collection of the fee is highly susceptible to factors outside the Bank’s influence. The Bank recognises performance-based fees when confirmed by the respective third party. Commission fees that are subject to claw-back are recognised only to the extent that it is highly probable that a significant reversal in the amount of revenue will not occur (historical data are used for evaluation). The Bank has concluded that respective liability does not give rise to accounting of a significant financing component because it arises for reasons other than the provision of finance to the Bank.

Revenue from servicing fees and fees for ongoing deposit and lending account maintenance are charged to customer’s account on a regular basis and recognised over time as the customer simultaneously consumes the respective benefits. The Bank applies different fees for each customer segment and service level. Revenue from servicing fees is recognised on a straight-line basis. The contracts, with the exception of term deposits, do not have a minimal committed duration period. In the case of contracts with the Bank’s clients, the fees are settled from their accounts or through the regular periodic repayments. In the case of third parties the Bank applies the standard payment conditions for the financial industry sector.

The Bank does not provide service incentives (such as temporary service discounts) that would give rise to recognition of a contract asset. The Bank does not receive any non-refundable upfront payments from its customers that would give rise to recognition of a respective contract liability or customer option or significant financing component.

Incremental distribution costs paid for the acquisition of deposit contracts (current accounts and savings accounts) are recognised as an asset and amortised over the period for which a customer is expected to receive the respective services. The Bank has evaluated the expected amortisation period to five years.

Commissions paid for the origination of term deposits and respective opening fees are part of the amortised cost of the financial liability to customers and are linearly amortised (linear amortisation is used due to immaterial difference to effective interest rate method in the case of deposit products) until the expiry of the term deposit in the profit or loss line item "Interest expense and similar charges".

Revenue from transaction-based fees is given mainly by interchange fees related to card transactions, foreign currency transactions and other payment transactions. The revenue is recognised at a point in time when the related transaction is performed.

Fee income on impaired financial assets is recognised on receipt of cash or performance of the service obligation, whichever is later.

The Bank has decided to apply practical expedient IFRS 15.121 and is not disclosing information on the aggregated amount of the remaining transaction price for servicing and commission revenues as the enforceable duration of the respective contract is less than one year and the right to consideration for servicing and commission contracts corresponds directly with the value provided to customer.

5.5 DIVIDENDS

Dividend income is recognised when the right to receive the payment is established. Dividend income is reported in the profit or loss in the line item "Dividend income".

5.6 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.6.1 Recognition

The Bank initially recognises financial assets measured at amortised cost on the date on which they originate. All other financial instruments are recognised on the trade date which is the date the Bank becomes a party to the contractual provisions of the instrument.

All financial instruments are initially recognised at their fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

5.6.2 Classification of Financial Assets

5.6.2.1 Debt Instruments

Debt instruments include loans and receivables (disclosed especially in the lines "Loans and receivables to banks", "Loans and receivables to customers") and debt securities (disclosed in the line "Investment securities"). They are classified into one of the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI); or
- Fair value through profit or loss (FVTPL).

Classification is based on the assessment of the business model under which the asset is held and on the assessment of the contractual cash flow characteristics of the instrument.

The Bank has defined its business models as follows:

- Held to collect (HTC) – the business model for financial assets acquired with the intention of being held until maturity and to collect contractual cash flows. Sales, which are insignificant or infrequent, related to the management of increased credit risk of the asset, or close to maturity of the financial assets are considered to be consistent with the HTC business model.
- Held to collect and sell (HTCS) – the business model for financial assets acquired with the intention to be held to collect contractual cash flows and to be sold. More frequent sales within this portfolio are expected, mainly for the purpose of managing the Bank's liquidity needs.
- Other business models for financial assets neither classified as HTC nor HTCS.

Currently, the Bank holds all debt financial assets within the HTC business model except an insignificant portion of securities measured at fair value through profit or loss (FVTPL).

Contractual cash flow characteristics are assessed by analysing the contractual features of the financial asset to determine whether they are connected with cash flows consistent with a basic lending arrangement, i. e. comprising solely payments of principal and interest

from the principal amount outstanding (SPPI test). Principal is the fair value of a financial asset at the initial recognition and it changes due to repayments over time. Interest represents a consideration for the time value of money, profit margin, credit risk and other basic lending risks. If a financial asset does not pass the SPPI test it is measured at fair value through profit or loss (FVTPL).

Debt instruments measured at amortised cost

Debt instruments are measured at amortised cost if they are held within a business model whose objective is held to collect (HTC) contractual cash flows where those cash flows represent solely payments of principal and interest. After the initial measurement, debt instruments in this category are carried at amortised cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the carrying amount. Amortised cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Interest income from debt instruments measured at amortised cost is recorded in profit or loss in the line "Interest and similar income".

Impairments on debt instruments measured at amortised cost are calculated using the expected credit loss approach. Loans and receivables and debt securities measured at amortised cost are presented net of the allowance for credit losses in the statement of financial position.

Debt instruments measured at FVTOCI

Debt instruments are measured at FVTOCI if they are held within a business model held to collect and sell (HTCS), where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealised gains and losses on debt instruments measured at FVTOCI (excl. the related expected credit losses which are directly recognised in the profit or loss) are recorded in other comprehensive income (OCI). Upon derecognition, realised gains and losses are reclassified from OCI to profit or loss. Currently, the Bank did not classify any debt instrument as FVTOCI.

Debt instruments measured at FVTPL

Debt instruments are measured at FVTPL if they are held within other business models or do not meet the SPPI test. Subsequent to initial recognition, all gains and losses on debt instruments measured at FVTOCI are recognised in the line "Net income from financial operations".

5.6.2.2 Equity instruments

Equity instruments are disclosed in the line "Investment securities". They are measured at FVTPL, unless an election is made to designate them at FVTOCI at the initial recognition or at the date of transition to IFRS 9.

All equity instruments are measured at fair value. In case that there are not enough relevant or actual inputs for fair value determination, the Bank uses the instrument's cost as the best available estimate of the instrument' s fair value.

For equity instruments measured at FVTPL, changes in fair value are recognised in the profit or loss in the line "Net income from financial operations".

For equity instruments for which the Bank decided for the irrevocable option provided by IFRS 9 to classify it as at the date of transition as FVTOCI all gains and losses resulting from FVTOCI equity instruments including when derecognised or sold are recorded in OCI and are not subsequently reclassified to profit or loss. Nevertheless, dividends received from FVTOCI equity instruments are disclosed in the profit or loss in the line "Dividend income".

5.6.2.3 Derivatives

Derivatives are measured at FVTPL, changes in fair value are recognised in the profit or loss in the line "Net income from financial operations". For more details see note 5.6.9.

5.6.3 Classification of Financial Liabilities

The Bank classifies its non-derivative financial liabilities, other than financial guarantees and loan commitments, at amortised cost. Non-derivative financial liabilities are contractual arrangements resulting in the Bank having an obligation to either deliver cash or another financial asset to the holder.

Classification of derivative financial liabilities is presented in note 5.6.9.

5.6.4 Reclassification

Generally, the Bank does not reclassify any financial asset or liabilities after initial recognition.

5.6.5 Derecognition

The Bank derecognises a financial asset when the contractual rights to receive cash flows from the financial assets expire or the rights to receive the contractual cash flows and substantially all the risks and rewards of ownership have been transferred or when substantially modified.

On derecognition the difference between the carrying amount of the asset and the sum of the consideration received and any cumulative gain or loss recognised in other comprehensive income is recognised in profit or loss. Any cumulative gain or loss recognised in other comprehensive income relating to equity investment securities designated at FVTOCI is not recognised in profit or loss on the derecognition but remains recognised in other comprehensive income.

The Bank derecognises financial liabilities when the obligation under the liability as specified in the contract is discharged, cancelled or expired.

5.6.6 Modifications

In terms of modification of conditions of a financial asset (e.g. change in interest rate not at refix date or renegotiation of the contractual terms) the Bank evaluates whether the cash flows of the modified financial asset are substantially different. If they are substantially different (net present value of the modified financial asset differs by more than 5% from net present value of the original financial asset) then the original financial asset is derecognised and the new financial asset is recognised. The fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and other fees are included in profit or loss as part of the gain or loss on derecognition. When modification results in derecognition, a new financial asset is recognised and allocated to a stage as per risk management assessment.

If the cash flows of a modified financial asset are not substantially different from cash flows from the original financial asset, then the original financial asset remains to be recognised but the gross carrying amount is recalculated using the modified cash flows using the original effective interest rate of the asset. The resulting difference between the original gross carrying amount and the recalculated gross carrying amount is recognised as modification gain or loss in profit or loss.

5.6.7 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Bank has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards.

5.6.8 Amortised Cost Measurement

The amortised cost of a financial asset or financial liability is the amount at which the asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any allowance for expected credit losses.

5.6.9 Derivatives and Hedge Accounting

Derivatives are initially recognised, and are subsequently remeasured, at fair value. Fair values of derivatives are obtained by using valuation techniques. The Bank designates at inception certain derivatives as hedging instruments according to IAS 39 (the Bank continues to apply the hedge accounting requirements of IAS 39 as allowed by IFRS 9) and other derivatives are held for trading despite being held for risk management purposes rather than speculative purposes.

(a) Derivatives classified as held for trading

A derivative that is not designated and effective as a hedging instrument measured at fair value through profit or loss and reported in the line “Derivative financial instruments with positive/negative fair values” (derivatives with positive fair values within assets, derivatives with negative fair values within liabilities). These derivatives include currency and interest rate derivatives (swaps and forwards) and are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in derivatives’ fair values and all interest revenues and expenses are reported in the profit or loss line “Net income from financial operations”.

(b) Derivatives designated as hedging instruments

The Bank continues to apply the hedge accounting requirements of IAS 39 as allowed by IFRS 9. Hedge accounting is applied if, and only if, all of the following conditions are met:

- The hedge is in-line with the approved Bank’s Hedging Strategy;
- The hedging relationship is formally documented at the inception;
- The hedge effectiveness can be objectively and reliably measured;
- The hedge is expected to be highly effective at inception and throughout its life.

Fair value hedges on interest rate risk and foreign exchange risk

The Bank designates at initial recognition interest rate swap or cross-currency interest rate swap derivatives

as hedging instruments. Either to hedge its exposure to the change in the fair value of a defined part of the portfolio of loans to customers, loan commitments, purchased or issued bonds, loans received from banks or customer deposits related to interest rate risk, that could affect profit or loss or to hedge purchased bonds or the Bank uses cross-currency interest rate swaps to hedge purchased bonds or loans denominated in foreign currencies. On the designation of the hedge, the Bank formally documents the relationship between the hedging instrument and hedged item, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedge relationship at the inception and on an ongoing basis. The Bank applies for hedge relationships a fair value hedge of the defined hedged item (micro hedge) as well as a portfolio fair value hedge (macro hedge).

The hedge is considered to be effective when a change in the fair value of the hedged item compared to the change in the fair value of the hedging instrument is within a range of 80-125%.

Change in clean fair value excluding accrued interest of a derivative, which is designated as a fair value hedge, is booked daily to the profit or loss and presented in the line "Net income from financial operations" to match the change in fair value of the hedged portfolio. Accrued interest from hedging derivatives is recognised in the profit or loss in the line "Interest and similar income", or in the case of hedged deposit products in the line "Interest expense and similar charges", to match the interest income or expense from the hedged portfolio or hedged item.

In the case of hedging foreign currency risk change in fair value attributable to risk being hedged is booked to the profit or loss and presented in the line "Net income from financial operations".

In the statement of financial position, derivatives with positive fair values (total fair value including accrued interest) are presented in the line item "Hedging derivatives with positive fair values", derivatives with negative fair values (total fair value including accrued interest) are presented in the line "Hedging derivatives with negative fair values".

If the hedging instrument expires, is sold, terminated or exercised, or the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued. In this case, the fair value adjustment to the carrying amount of the hedged item is amortised to profit or loss on a straight-line basis under the line "Interest and similar income".

5.6.10 Impairment of Financial Assets

The Bank measures allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for the following categories of financial instruments:

- Amortised cost financial assets;
- Debt securities classified as measured at FVTOCI;
- Undrawn loan commitments.

Financial assets migrate through the three stages based on the change in credit risk since initial recognition.

Expected credit loss impairment model (ECL)

The Bank's allowance for credit loss calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either (i) over the following twelve months or (ii) over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The impairment model measures credit loss allowances using a three-stage approach based on the extent of credit deterioration since origination:

- Stage 1 – If there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, a loss allowance at an amount equal to 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) is recorded. Interest revenue is recognised using the effective interest rate method applied on the financial asset's gross carrying amount.
- Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, a loss allowance at an amount equal to full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument) is recorded. Interest revenue is recognised using the effective interest rate method applied on the financial asset's gross carrying amount.
- Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similarly to Stage 2, a loss allowance at an amount equal to the full lifetime expected credit losses is recorded. Interest revenue is recognised using the effective interest rate method applied on the financial asset's net carrying amount.

Measurement of expected credit loss

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related to credit losses in the relevant portfolio. Details of these statistical parameters/inputs are as follows:

- PD – The probability of default is an estimate of the likelihood of default over a given time horizon.
- EAD – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information require significant judgement.

Presentation of allowance for credit losses (ACL) in the statement of financial position

- Financial assets measured at amortised cost: ACL is deducted from the gross carrying amount of the financial assets;
- Debt instruments measured FVTOCI: no ACL is recognised in the statement of financial position because the carrying value of these assets is their fair value. However, the ACL is presented in the accumulated OCI;
- Off-balance sheet credit risks (e.g. credit cards with undrawn limit): In the case that the determined expected credit loss exceeds the gross carrying value of the financial asset the excess is recognised as a provision.

Purchased or originated credit-impaired financial assets (POCI)

Financial assets classified as POCI are always subject to lifetime allowance for credit losses. At initial recognition expected credit loss is initially reflected in the credit-adjusted effective interest rate. As a result, no loss allowance is recognised at inception. Subsequently only negative changes in lifetime expected credit losses are recognised as allowance for credit losses, whilst positive changes are recognised as impairment gains increasing the gross carrying amount of such financial assets.

Management overlay

Management overlay allows management of the Bank to override results of ECL models in the case that these models are not able to timely respond to changes in economic environment. Application of management overlay is subject of approval process, detail documentation and monitoring.

5.7 REPURCHASE AND REVERSE REPURCHASE AGREEMENTS

The Bank enters into contracts to sell and buy back financial instruments at a specific future date (repo) or to buy and sell back financial instruments at a specific future date (reverse repo).

In repo transactions the securities provided by the Bank continue to be recognised and reported in the statement of financial position as the Bank retains substantially all the risks and rewards of ownership together with all coupons and other income payments received during the period of the repo transaction. The corresponding cash received is recognised in the statement of financial position and a corresponding obligation to return it (including accrued interest) is recorded as a liability.

Securities purchased as a reverse repo transaction are not recognised in the statement of financial position. The consideration paid (including accrued interest) is recorded in the statement of financial position as “Loans and receivables to banks” or “Loans and receivables to customers”. The Bank is allowed to provide securities received in reverse repo transactions as collateral or sell them, even in the absence of default by their owner.

The difference between the sale and repurchase price or between the purchase and resale price is treated as interest and recognised in net interest income over the life of the agreement.

5.8 FAIR VALUE MEASUREMENT

Fair value is the price the Bank would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date.

In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date.

Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Bank's market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3 – Significant inputs to the valuation model are unobservable.

The Bank maintains policies and procedures to value instruments. In addition, the Bank has risk management teams that review valuation, including independent price validation for certain instruments (e.g. treasury bills).

Fair values of financial assets and liabilities that are not presented in the Bank's balance sheet at fair values are shown in note 44.

5.9 PROVISIONS

A provision is recognised by the Bank when:

- It has a present obligation (legal or constructive) as a result of a past event; and
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The Bank can reliably estimate the amount of the obligation.

Provisions are reported in the statement of financial position and include provisions for expected credit losses (loan commitments) and provisions for litigation and other obligations. Gains and losses related to provisions are reported based on their substance. Provisions are disclosed in note 36.

5.10 LEASES

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease in IFRS 16.

(i) Bank as a Lessee

At initiation or modification date of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Bank accounts for each lease component within the contract separately i.e. lease and non-lease components of the contract are separated, unless practical expedient is applied.

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term or over the useful life of the underlying asset (in case the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Bank will exercise a purchase option). In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is at initial recognition measured at the present value of fixed and variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date net of cash lease incentives that are not paid at the commencement date, discounted using the rate implicit in the lease contract, and where not available, using incremental borrowing rate.

The Bank determines its incremental borrowing rate based on market conditions for which it would obtain additional credit financing (loan or debt securities).

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual

value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

In case the lease liability is subject to the above mentioned remeasurement, a corresponding adjustment is made to the carrying amount of the right-of-use asset, and it is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank presents right-of-use assets that do not meet the definition of investment property in "Property and equipment" and lease liabilities in "Other liabilities" in the statement of financial position.

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (up to CZK 100 thousand) and short-term leases (up to 12 months), including IT equipment. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Bank has not entered any long-term agreement of purchase of goods or services exclusively produced for the Bank such as Power Purchase Agreement (PPA).

(ii) Bank as a Lessor

The Bank accounts for sub-lease contracts separately from the master lease. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the master lease, not with reference to the underlying asset. If a master lease is a short-term lease to which the Bank applies the exemption described above, then it classifies the sub-lease as an operating lease.

Since March 2024, the Bank sub-leased part of its HQ building in Prague. The sub-lease is classified as an operating lease. Rentals receivable are spread on a straight-line basis over the lease periods and are recognised in "Other operating income"

The Bank also subleases office premises to Bank's subsidiaries. Those sub-leases are classified as operating lease. Rentals receivable from subsidiaries with operating leases are spread on a straight-line basis over the lease periods and are recognised in "Other operating income".

5.11 PROPERTY AND EQUIPMENT

Items of property and equipment are measured at cost less accumulated depreciation less impairment losses over their estimated useful lives.

Cost includes the purchase price of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Bank and the initial estimate of the costs of dismantling and removing the item.

Property and equipment is depreciated on a straight-line basis over their estimated useful lives as follows:

Technical Improvements related to real estate	5-15 years[1)]
Furniture	4-10 years
Equipment	5-10 years
Cars	8 years
Computers and servers	5-7 years
ATMs	10 years

1) Based on the estimated duration of use in accordance with the IFRS 16 lease agreement.

Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease terms or their remaining useful lives.

Assets' residual values and useful lives are monitored and adjusted if appropriate at each financial statement date. Property and equipment are subject to quarterly impairment reviews (see note 5.14). If the carrying amount of the asset exceeds its estimated recoverable amount, the asset is adjusted accordingly. Its estimated recoverable amount is the higher of fair value including costs to sell and its value in use.

The Bank presents right-of-use assets resulting from lease agreements that do not meet the definition of investment property in the statement of financial position in line "Property and equipment".

Gains and losses on disposals are determined by deducting the carrying value from the consideration received. Any gain/loss on sale is recognised in the profit or loss.

5.12 INTANGIBLE ASSETS

Software

Software acquired by the Bank is measured at cost less accumulated amortisation and any accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the Bank is able to demonstrate its intention and ability to complete the development and use the software to generate future economic benefits and the costs to complete the development can be reliably measured.

Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Purchased software and internally developed software is amortised over its expected useful life that is usually considered to be 5 years when recognised initially. During its useful life development is performed on the software. This development prolongs the useful life of the software.

The following table shows the weighted average of the remaining useful life of software assets:

Core systems	6 years
Data warehouses	6 years
Infrastructure	5 years
Distribution channels	5 years
Enterprise software	3 years

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Core deposit intangible (CDI)

Core deposit intangible resulting from the Merger represents the benefit of having a low-cost and stable funding source to the Bank. In times when alternative sources of funds have higher rates, core deposits have greater worth to an acquirer. CDI can be also interpreted as an intangible asset recorded upon acquisitions to capture the value of the customer relationships the acquired deposits represent. The Bank amortises CDI linearly over 60 months beginning with initial recognition. Assessment whether circumstances triggering potential impairment is done annually. If such circumstances are identified CDI is tested for impairment in line with note 5.14.

5.13 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries are entities directly or indirectly controlled by the Bank, i.e. the Bank directly or indirectly owns more than 50% of the voting rights or has the power to govern this entity as a result of another circumstances. An associate is an entity in which the Bank has significant influence.

The Bank evidences the existence of significant influence if one or more of the following points is met.

The Bank:

- has representation on the board of directors or equivalent governing body of the investee;
- participate in policy-making processes, including participation in decisions about dividends or other distributions;
- has material transactions with its investee;
- interchange of managerial personnel with its investee;
- provision of essential technical information with its investee.

The Bank uses the rebuttable presumption that significant influence exists if the Bank holds between 20-50% of the voting rights.

Investments in subsidiaries are measured at historical cost decreased by potential accumulated impairment losses. The Bank assesses regularly whether there is any impairment loss by comparing the carrying values of the investment with its recoverable amount. If the recoverable amount is lower, the Bank recognises the impairment loss.

Investments in associates are measured using the equity method.

5.14 IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting date, the Bank reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in the profit or loss in the "Other operating expenses" (see note 15). An impairment loss may be reversed to the extent it does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

The Bank regularly monitors potential impacts resulting from climate changes that could result into impairment of non-financial assets. Currently there are no such impairment indicators.

5.15 EMPLOYEE BENEFITS

Employee benefits include short-term bonus payments, flexible benefits (Cafeteria), remuneration for loyalty, retention bonuses and other unclaimed components of remuneration. In 2017, a remuneration program Executive Variable Incentive Plan (EVIP) was introduced for the Management Board members and other Material Risk Takers, under which bonuses are partially linked to the

share price and the dividend (shareholder's return). This programme is an integral part of the Remuneration Policy periodically reviewed and approved by shareholders at least once every 4 years. The Remuneration Policy is available on the investor relations web page.

Detailed terms and conditions for the remuneration of other employees are governed by the Group directive Remuneration Policy as approved by the Management Board.

Executive Variable Incentive Plan (EVIP) for the Management Board members and other Material Risk Takers

The amount of the variable compensation that a participant receives under the EVIP incentive programme is based the participant's performance and the Bank's performance; including the achievement of goals and objectives set by the Supervisory Board and the Chief Executive Officer (whereas the Chief Executive Officer is not involved in the decision-making regarding the setting of his own goals and objectives). A portion of the remuneration is paid in cash (part in the year after the assessment year and part is deferred up to five annual instalments in the following years), and the remainder is linked to the total shareholder return (TSR) and spread over up to five annual instalments. This part of the deferred bonus represents a share-based payment and is disclosed in line with IFRS 2 Share-based payments, specifically as cash-settled share-based payments. For more details about this programme please refer to the Remuneration Report. The payout of an insignificant bonus (up to CZK 500,000 for the calendar year) is excluded from provisions on the deferred payout and TSR adjustment.

Bonus payments are accrued over time when earned in the amount of the estimated future pay-out.

EVIP Executive Long-Term Premium Awards

As part of the new Remuneration Policy, the Supervisory Board proposed the EVIP Executive Long-Term Premium Award to align Management Board remuneration with the long-term interests of shareholders. This award replaces the previous LTIP programme, which was introduced in 2018 but had never been vested.

The EVIP Executive Long-Term Premium Award is granted on top of the EVIP bonus and is based on the fulfilment of medium-term financial performance targets which are defined and published at the beginning of the three-year evaluation cycle. The award is determined by the Supervisory Board upon the proposal of the Remuneration Committee and follows the principles of variable remuneration, including risk-adjustment measures, performance thresholds, a payout cap, and a five-year deferral period.

The award is based on the evaluation of two key performance indicators (KPIs): the average Return on Tangible Equity, and the cumulative consolidated Profit before Tax, both measured over a three-year period. The final award is further adjusted by the average TSR over the performance cycle, ensuring alignment with shareholder value creation.

The maximum award amount is capped at 50% of the Personal Variable Target for the EVIP Bonus. The first EVIP Executive Long-Term Premium Award was granted in 2024 based on financial performance over the period 2021–2023, with performance targets set in line with the medium-term guidance published on 5 February 2021.

Sales, collections and customer service incentives

Sales incentives represent a performance-based remuneration to the employees of retail and commercial banking at branches. The volume of the sales incentives depends on the fulfilment of quantitative and qualitative performance targets, which are evaluated and paid quarterly. Employees providing sales and service over the phone or working in selected support departments are evaluated and paid on a monthly basis. Incentives in the Structure Finance unit are paid on an annual basis.

Collection incentives represent a performance remuneration for employees participating in the collection of debts. The frequency of evaluation of performance and payments of incentives is on a monthly (retail receivables) or on a quarterly basis (commercial receivables).

The Bank recognises a liability as at the reporting date representing the sum of the sales incentives in the fourth quarter and the amounts deferred from the previous reporting periods.

Flexible benefits (Cafeteria)

Each employee of the Bank selects from flexible benefit offers upon his/her preference (including meal allowance) or contribution to pension/life insurance, eventually its combination. Costs of flexible benefits are recognised in the profit or loss line "Personnel expenses" on a straight-line basis over the accounting period.

Retention programs

Employees involved in important projects or having a significant influence on the operation of critically important processes can receive a motivation award under predetermined conditions. The liability is accrued on a monthly basis into expenses on the part of remuneration to which the claim has already arisen taking into account the probability of payment.

5.16 CASH AND CASH BALANCES AT THE CENTRAL BANK

The line "Cash and cash balances at the central bank" includes current accounts and time deposits with the Czech National Bank (CNB), cash in ATMs and in branches. The Bank's mandatory minimum reserve held by the CNB is also included within this line.

In previous periods, the caption of the line was "Cash and balances with the central bank". Starting from 2024, the caption of the line has been changed to "Cash and cash balances at the central bank" without any change to the items reported.

5.17 INCOME TAX AND DEFERRED TAX

Income tax expense comprises current and deferred tax. It is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax represents the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Bank intends to settle on a net basis and the legal right to offset exists.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Significant temporary and timing differences arise mainly from different accounting and tax value adjustments to receivables, provisions, different accounting and tax economic useful life of tangible and intangible assets and from the revaluation of financial assets.

5.18 SEGMENT REPORTING

The Bank reports segment reporting in the notes to consolidated financial statements that are part of this Annual financial report.

5.19 FINANCIAL GUARANTEES AND LOAN COMMITMENTS

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Liabilities under financial guarantee contracts are recorded initially at their fair value, which is generally the fee received or present value of the fee receivable. Financial guarantee liabilities are subsequently measured at the higher of the initial fair value, less cumulative amortisation and the amount equalling the expected credit loss determined in accordance with IFRS 9 (see note 5.6.10).

The provided guarantees are shown in note 40.

5.20 SUBORDINATED LIABILITIES

Subordinated liabilities (bonds and deposits) are subordinated to all other liabilities of the Bank. As at 31 December 2024, it forms a fully or partially part of the Tier 2 capital of the Bank as defined by the CNB for the purposes of determination of its capital adequacy.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest method.

5.21 MORTGAGE-BACKED BONDS

Mortgage-backed bonds are covered by mortgages provided to clients of the Bank. These instruments were taken over as a part of the Merger.

In the case of new issuance, these instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest method.

Mortgage-backed bonds are presented in the statement of financial position in the line "Issued bonds".

Internally Issued Mortgage-Backed Bonds (on own books)

The mortgage-backed bonds are covered by mortgage loans provided to the Bank's clients. The purpose of the issuance of these bonds is only in case of potential recovery or resolution strategy of the Bank. In such events, internally held mortgage-backed bonds would be used as collateral for a lombard loan or repo operations predominantly with the Czech National Bank in order to support the liquidity position of the Bank. As at 31 December 2024, the Bank did not realise any of these above-mentioned operations and the mortgage-backed bonds were held internally, therefore, these bonds are not recognised in the Statement of financial position.

5.22 OTHER ISSUED BONDS

Other issued bonds are represented by the senior preferred bonds which are in compliance with the minimum requirement for own funds and eligible liabilities ("MREL") requirement which was set for the Bank by the Czech National Bank.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest method.

Other issued bonds are presented in the statement of financial position in the line "Issued bonds".

5.23 BUSINESS COMBINATIONS UNDER COMMON CONTROL

As there is no specific guidance in IFRS Accounting Standards for business combinations under common control, the Bank applies method within the assets and liabilities that these are measured by using the acquirer's book values, i.e., book values from consolidated financial statements of the Group.

6. NET INTEREST INCOME

CZK m	2024	2023
Interest income from financial assets measured at amortised cost[1)]	19,017	17,484
Loans to customers	11,681	10,941
out of which: interest income from impaired loans[2)]	151	129
out of which: penalty interest	15	12
out of which: EIR amortisation, modification/derecognition and amortisation of merger FV adjustments	(262)	(211)
Loans to banks	4,139	3,975
out of which arising from repurchase and reverse repurchase agreements	4,066	3,867
Cash and cash balances at the central bank[3)]	1	349
Interest income from investment securities at amortised cost	3,097	2,205
Other interest income[4)]	99	14
Interest from hedging derivatives	1,575	3,006
Interest income and similar income	**20,592**	**20,490**
Interest expense from financial liabilities measured at amortised cost[1)]	(12,922)	(12,734)
Due to banks	(258)	(168)
Due to customers	(11,664)	(11,632)
Subordinated liabilities	(387)	(282)
Mortgage-backed bonds	(301)	(381)
Other issued bonds[5)]	(283)	(175)
Other interest expense[4)]	(29)	(96)
Interest from hedging derivatives	(180)	(584)
Interest expense on lease liabilities	(49)	(33)
Interest expense and similar expense	**(13,151)**	**(13,351)**
Net interest income	**7,441**	**7,139**

1) All interest income and expense from financial instruments at amortised cost are calculated using the effective interest method. There are no FVTOCI interest-bearing instruments.
2) In 2024, the Bank revised the methodology of reporting amounts of interest income from impaired loans. For the purpose of comparability, the previous period has been adjusted.
3) The Bank Board of the CNB decided in September 2023 that it would discontinue remuneration of the mandatory minimum reserves. The decision became effective on 5 October 2023; prior to that, the mandatory minimum reserves were remunerated using the 2-week repo rate.
4) Represents interest income or expense respectively from received or provided collateral resulting from Credit Support Annex (CSA).
5) MREL requirement eligible bonds are included.

Analysis of deferred costs and fees directly attributable to the origination of new loan products that are an integral part of the effective interest rate and fair value adjustment of financial assets taken over as part of the Merger:

Year ended 31 Dec 2024 CZK m	Balance at beginning of period	Amortisation	Derecognitions/ Modifications	Additions to deferred fees[1)]	Additions to deferred costs	Balance at end of period
Consumer Loans	39	(3)	(11)	(77)	73	21
Mortgages	1,502	(153)	(37)	(1)	39	1,350
Credit Cards & Overdrafts	10	(9)	-	-	11	12
Retail loans deferrals	**1,551**	**(165)**	**(48)**	**(78)**	**123**	**1,383**
Investment Loans	75	(16)	(4)	(12)	50	93
Working Capital	(8)	8	-	(10)	4	(6)
Unsecured Instalment Loans and Overdrafts	102	(37)	-	(12)	47	100
Commercial loans deferrals	**169**	**(45)**	**(4)**	**(34)**	**101**	**187**
Total loan deferrals	**1,720**	**(210)**	**(52)**	**(112)**	**224**	**1,570**

1) The majority is the loan account opening fee.

Year ended 31 Dec 2023 CZK m	Balance at beginning of period	Amortisation	Derecognitions/ Modifications	Additions to deferred fees[1)]	Additions to deferred costs	Balance at end of period
Consumer Loans	63	(7)	(2)	(63)	48	39
Mortgages	1,639	(143)	(8)	(4)	18	1,502
Credit Cards & Overdrafts	12	(9)	-	-	7	10
Retail loans deferrals	**1,714**	**(159)**	**(10)**	**(67)**	**73**	**1,551**
Investment Loans	73	(12)	(5)	(14)	33	75
Working Capital	(3)	9	-	(18)	4	(8)
Unsecured Instalment Loans and Overdrafts	98	(34)	-	(8)	46	102
Commercial loans deferrals	**168**	**(37)**	**(5)**	**(40)**	**83**	**169**
Total loan deferrals	**1,882**	**(196)**	**(15)**	**(107)**	**156**	**1,720**

1) The majority is the loan account opening fee.

7. NET FEE AND COMMISSION INCOME

CZK m	2024	2023
Insurance[1)]	1,161	1,149
Investment funds[2)]	738	331
Penalty fees (incl. early termination fees)	251	221
Deposit servicing fees	267	252
Lending servicing fees	231	216
Transactional and other fees	827	792
Fee and commission income	**3,475**	**2,961**
Fee and commission expense	**(641)**	**(579)**
Net fee and commission income	**2,834**	**2,382**

1) The line "Insurance" includes especially commissions on payment protection insurance, car insurance (Casco and third party liability insurance), travel insurance, accident insurance, life insurance and pension funds.
2) The amount of received fees serves as the base for the calculation of contribution of the Bank to the Investor Compensation Fund.

8. DIVIDEND INCOME

CZK m	2024	2023
Dividends from investments in subsidiaries[1)]	1,685	1,294
Dividend income	**1,685**	**1,294**

1) Dividends from investments in subsidiaries includes dividend from MONETA Leasing, s.r.o. in the amount of CZK 113 million in 2024 (2023: CZK 133 million) MONETA Auto, s.r.o. in the amount of CZK 472 million in 2024 (2023: CZK 600 million) and MONETA Stavební Spořitelna, a.s, in the amount of CZK 1,100 million in 2024 (2023: CZK 557 million) as described in note 30.

9. NET INCOME FROM FINANCIAL OPERATIONS

CZK m	2024	2023
Net gain/(loss) from hedging instruments	751	(4,915)
Net gain/(loss) from hedged items	(771)	5,009
Net gain/(loss) from financial assets and liabilities at FVTPL	13	43
out of which: revaluation of FVTPL securities to fair value	10	6
out of which: expense on derivative instruments	(359)	(118)
out of which: income from derivative instruments	362	155
Net income from sale of investment securities[1)]	59	26
Exchange rate differences	802	715
Share of profit or loss of associates accounted for using the equity method	5	-
Net income from financial operations	**859**	**878**

1) The sale of investment securities was considered in line with the business model, in which they had been hold. Further detail is described in note 24.

10. OTHER OPERATING INCOME

CZK m	2024	2023
Income from services and leases[1)]	88	71
Rent income[2)]	32	16
Other collection income[3)]	19	14
Other income	23	31
Total other operating income	**162**	**132**

1) The line "Income from services and leases" includes primarily services provided by the Bank to its subsidiaries MONETA Auto, s.r.o., MONETA Leasing, s.r.o., and MONETA Stavební Spořitelna.
2) The line "Rent income" comprises results from operating leases of property provided to subsidiaries and the sub-lease of the HQ building in Prague.
3) The line "Other collection income" includes the balance of CZK 6 million for 2024 (2023: CZK 8 million) which represents recoveries arising from written-off receivables exceeding the write-off which is recognised in the line "Net impairment of financial assets" out of which CZK 3 million for 2024 (CZK 4 million in 2023) results from legacy NPL sales. The residual amount represents legal costs paid by clients being under collection proceedings by solicitor offices.

11. PERSONNEL EXPENSES

	2024	2023
The average number of employees during the period[1)]	2,394	2,399
Number of Management Board members[2)]	6	5
Number of Supervisory Board members[2)]	9	9
Number of other Key Executive Managers[2)]	3	4
Physical number of employees at the end of the period	2,510	2,492

CZK m	2024	2023
Salaries and bonuses[3)]	(1,887)	(1,797)
out of which: salaries and bonuses actuals	(1,646)	(1,578)
out of which: salaries and bonuses accruals	(241)	(219)
Social security and health insurance	(596)	(564)
Restructuring costs	(4)	23
Other employee related expenses	(95)	(90)
Total personnel expenses	**(2,582)**	**(2,428)**

1) The average number of employees during the period is an average of the figures reported to the Czech Statistical Authority (CSA) on a monthly basis in accordance with Paragraph 15 of Decree No. 518/2004 Coll. The figures reported to the CSA equal the quotient of the following nominator and the following denominator. The nominator is defined as all hours worked by all employees, their related leaves/holidays and their related sick days. The denominator represents the standard working hours per employee and month.
2) Represents number as of the period end.
3) Remuneration to members of Supervisory Board, Management Board and other Key Executive Managers are described in note 42.1.

12. ADMINISTRATIVE EXPENSES

CZK m	2024	2023
IT and software expense	(672)	(614)
Rent expense[1)]	(35)	(51)
Rent-related services	(119)	(181)
Advisory services	(27)	(22)
Auditor´s fees	(23)	(18)
Marketing	(221)	(201)
Travel cost	(33)	(31)
Other expenses[2)]	(378)	(460)
out of which: services provided by subsidiaries	(15)	(17)
out of which: ATM expense	(51)	(53)
out of which: legal expense	(17)	(24)
out of which: office supplies	(8)	(8)
out of which: transport of cash	(58)	(95)
Total administrative expenses	**(1,508)**	**(1,578)**

1) The line "Rent expense" includes mainly leases whose term ends within twelve months from the date of initial application or from the lease start date (short-term leases) and leases of assets with purchase price lower than CZK 100 thousand (low-value assets).
2) The line "Other expenses" comprises expenses on other services provided by 3rd parties not disclosed separately, e.g. subscription fees, support of ATMs, transport of cash, postage, training, cleaning services, car expense, etc.

In 2024 line "Auditor's fee" consists of:

- Statutory audit CZK 13 million;
- Other assurance services CZK 13 million – quarterly financial review for the purpose of inclusion of interim profit into regulatory capital, ESG reporting audit, review of Remuneration report and bond comfort letter (out of which CZK 5 million is part of the amortised cost of the issued bonds);
- Other non-audit services CZK 2 million – MiFID reporting, review of internal control system requested by Czech National Bank, proofread of Annual Financial Report and training.

13. REGULATORY CHARGES

CZK m	2024	2023
Contributions to Deposit Insurance Fund	(135)	(151)
Contributions to Resolution and Recovery Fund[1)]	(62)	(130)
Contributions to Investor Compensation Fund	(7)	(6)
Total regulatory charges	**(204)**	**(287)**

1) Decrease in 2024 is mainly driven by a high level of fulfilment of the Resolution and Recovery Fund and the corresponding lower contribution to the fund.

14. DEPRECIATION AND AMORTISATION

CZK m	2024	2023
Depreciation of property and equipment	(509)	(531)
out of which: right-of-use assets	(318)	(319)
Amortisation of intangible assets	(672)	(658)
Total depreciation and amortisation	**(1,181)**	**(1,189)**

Impairment losses are disclosed in note 15.

15. OTHER OPERATING EXPENSES

CZK m	2024	2023
Damages	(7)	(8)
Unrecoverable VAT	(1)	(2)
Other expenses	(55)	(40)
out of which: impairment of non-financial assets	(3)	(4)
Total other operating expenses	**(63)**	**(50)**

16. NET IMPAIRMENT OF FINANCIAL ASSETS

CZK m	2024	2023
Additions and release of loan loss allowances	(329)	(291)
Additions and release of allowances/provisions to unused commitments	11	30
Use of loan loss allowances associated with written-off receivables	874	637
Income from previously written-off receivables	23	49
Write-offs of uncollectable receivables	(894)	(650)
Change in allowances to Investment securities	1	(4)
Change in allowances to operating receivables	(1)	(1)
Collection costs	(37)	(38)
Net impairment of financial assets	**(352)**	**(268)**

Line “Income from previously written-off receivables” includes in 2024 CZK 10 million (2023: CZK 34 million) representing recovery resulting from NPL sales. The overall profit or loss impact of the NPL sales in 2024 is CZK 125 million (2023: CZK 303 million) representing recovery, release of related unused Loan Loss Allowances and Other income (see note 10).

If loss given default (LGD) (in either the individual assessment or statistical models) changes by +/-10% in relative terms, then the loan loss allowances would change by +/- CZK 425 million as at 31 December 2024 and by +/- CZK 432 million as at 31 December 2023.

The Bank reflects external collection costs in determining the impairment loss of loans and receivables and these costs are disclosed in the line “Net impairment of financial assets” when they are incurred. An estimate of these costs also reduces the present value of recovery cash flows expected from related defaulted receivables.

At each financial statement date, financial assets not measured at fair value through profit or loss are assessed for impairment. The Bank determines whether as a result of an event or events occurring alone or in combination, a financial asset is considered in default. For further details, see note 43.2.2. Calculation of loan loss allowances is performed in line with IFRS 9 standard. For further details, see note 43.2.4.

Impacts of the current macroeconomic environment

Significant uncertainty regarding the future macroeconomic developments in connection with the environment of high interest rates remained during 2024. The Bank continued to take this risk factor, which is not adequately reflected in the current IFRS 9 model of expected credit losses, into account through the management overlay framework, which was continuously monitored and updated during 2024. These regular reviews included also the backtest of overlay assumptions. As at 31 December 2024, the total management overlay amount stood at CZK 392 million.

Macroeconomic assumptions in the IFRS 9 model were updated in August 2024. The scenarios of the main macroeconomic variables of the model (unemployment rate and GDP growth) were constructed based on the latest available forecasts provided by the Czech National Bank. The potential negative development of these drivers is reflected via the adverse IFRS 9 macroeconomic scenario.

The following table shows an overview of internal scenarios based on the prognoses of the MFCR and the CNB:

GDP Growth Year	MFCR (1/2024)	MFCR (4/2024)	MFCR (8/2024)	MFCR (11/2024)	CNB (2/2024)	CNB (5/2024)	CNB (8/2024)	CNB (11/2024)	IFRS 9 MODEL
2024	1.2%	1.4%	1.1%	1.1%	0.6%	1.4%	1.2%	1.0%	1.2%
2025	2.5%	2.6%	2.7%	2.5%	2.4%	2.7%	2.8%	2.4%	2.8%
2026							2.4%	2.4%	2.4%

Unemployment Year	MFCR (1/2024)	MFCR (4/2024)	MFCR (8/2024)	MFCR (11/2024)	CNB (2/2024)	CNB (5/2024)	CNB (8/2024)	CNB (11/2024)	IFRS 9 MODEL
2024	2.8%	2.8%	2.8%	2.6%	3.0%	2.9%	2.7%	2.7%	2.7%
2025	2.7%	2.7%	2.7%	2.5%	3.1%	3.1%	2.8%	2.9%	2.8%
2026							3.0%	3.0%	3.0%

Management overlay

Throughout 2024, the management overlay framework was subject to regular reviews, backtests and updates in line with the pre-defined governance framework.

In May 2024, the management overlay reflecting risks associated with exposures secured by COVID-19 guarantees expiring within 12 consequent months was dissolved in the amount of CZK 80 million since its initial assumption have not materialised.

As at 31 December 2024, the total management overlay amount stood at CZK 392 million.

17. TAXES ON INCOME

Tax expense from the Bank's profit before tax can be analysed as follows:

CZK m	2024	2023
Current income tax for the year	(695)	(638)
Income tax related to prior years	2	-
Change in deferred tax position recognised in profit or loss	(7)	(7)
Taxes on income	**(700)**	**(645)**

The table below shows the reconciliation of the actual tax charge and the tax charge based on applying the standard corporate income tax rate according to the Czech Republic's income tax law:

CZK m	2024	2023
Profit for the period before tax	**7,091**	**6,025**
Theoretical income tax accounted for into expenses, calculated at the rate of 21% (2023: 19%)	(1,489)	(1,145)
Tax related to the prior years	2	-
Impact of the tax non-deductible expenses	(39)	(22)
Impact of the tax-exempt income[1)]	826	507
Impact of windfall tax on deferred tax	-	46
Impact of change in the income tax rate from 19% to 21% (effective from 1 January 2024)	-	(31)
Taxes on income	**(700)**	**(645)**
Effective income tax rate	9.8%	10.7%

1) Tax-exempt income is primarily realised from investments into Government bonds issued after 1 January 2021 and received dividends from subsidiaries.

The Bank is not aware of any uncertain tax treatment as defined in IFRIC 23 Uncertainty over Income Tax Treatments, thus calculation of current and deferred tax is not influenced by extra judgements and estimates, which requires separate disclosure.

The Bank shall be subject to the windfall tax imposed by the Government on Banks that report net interest income higher than CZK 6 billion in 2021, Power and Fuel industry for tax periods from 2023 to 2025. The Windfall tax base is positive excess over the Bank's four-year average tax base (2018 to 2021) increased by 20 percent and its actual tax base of the given tax period. Such excess if any is subject to an additional 60 percent taxation.

In 2024, based on the current operating plan, the Bank does not expect payment of any windfall tax in the future, thus there is neither an impact on payable nor deferred tax.

The Bank is part of the Group which is generally subject to Global minimum tax under Pillar II. Based on the Group's tax calculation, in 2024, the threshold for application of the minimum tax is not met, therefore, income tax payable is not impacted in the current period. With respect to the latest available tax forecasts, the Group does not expect material exposure to Pillar II Income tax in 2025. The majority of the estimated impact will be attributable to the Bank.

18. EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing the net profit for the year after tax attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

CZK m	2024	2023
Profit for the year after tax attributable to the equity holders	6,391	5,380
Weighted average of ordinary shares (millions of shares)	511	511
Basic earnings per share (CZK)	**12.51**	**10.53**

As the Bank has not issued any potentially dilutive instruments, the basic earnings per share equal the diluted earnings per share.

19. CASH AND CASH BALANCES AT THE CENTRAL BANK

CZK m	31 Dec 2024	31 Dec 2023
Cash and cash in transit	3,770	3,206
Term deposits included in the cash equivalents	1,639	-
Mandatory minimum reserve and clearing account with the central bank	8,012	7,328
Total cash and cash balances at the central bank	**13,421**	**10,534**

The Bank includes a mandatory minimum reserve with the Czech National Bank into "Cash and cash balances at the central bank". The Bank may draw funds from the mandatory minimum reserve at any point in time provided that the average balance over the relevant period meets the minimum levels required according to the regulations of the Czech National Bank.

20. CASH AND CASH EQUIVALENTS

For the purposes of the separate statement of cash flows, cash and cash equivalents comprise the following balances with maturities from the acquisition of less than 3 months:

CZK m	31 Dec 2024	31 Dec 2023
Cash and cash balances at the central bank	13,421	10,534
Loans and receivables to banks	75,525	66,992
Total cash and cash equivalents	**88,946**	**77,526**

21. TRANSFER OF FINANCIAL ASSETS – REPURCHASE TRANSACTIONS

31 Dec 2024 CZK m	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities
Liabilities arising from repurchase agreements				
with clients	-	-	-	-
with banks	-	-	-	-
Total liabilities arising from repurchase agreements	**-**	**-**	**-**	**-**
Financial assets transferred as collateral in repurchase agreements				
Financial assets measured at amortised cost	-	-	-	-
Financial assets received in reverse repos	-	-	-	-
Total financial assets transferred as collateral in repurchase agreements	**-**	**-**	**-**	**-**

31 Dec 2023 CZK m	Carrying amount of transferred assets	Carrying amount of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities
Liabilities arising from repurchase agreements				
with clients	-	-	-	-
with banks	-	2,531	-	2,531
Total liabilities arising from repurchase agreements	**-**	**2,531**	**-**	**2,531**
Financial assets transferred as collateral in repurchase agreements				
Financial assets measured at amortised cost	2,824	-	3,229	-
Financial assets received in reverse repos	-	-	-	-
Total financial assets transferred as collateral in repurchase agreements	**2,824**	**-**	**3,229**	**-**

Liabilities from repurchase agreements represent the obligation to repay the borrowing and are shown in the lines "Due to banks" (see note 34) and "Due to customers" (see note 35).

As at 31 December 2024, no financial assets have been transferred as collateral. As at 31 December 2023, financial assets transferred as collateral consisted of Government bonds (see note 24) measured at an amortised cost of 2,824 million.

22. LOANS AND RECEIVABLES TO BANKS

Loans and receivables to banks include:

CZK m	31 Dec 2024	31 Dec 2023
Current accounts at banks	385	260
Overnight deposits	937	392
Receivables arising from reverse repurchase agreements[1)]	74,203	66,340
Cash collateral granted[2)]	2,513	2,238
Other[3)]	3	2
Included in cash equivalents	75,525	66,992
Total loans and receivables to banks	**78,041**	**69,232**

1) The Bank provides reverse repo operations with the Czech National Bank. The collateral received as at 31 December 2024 of CZK 72,714 million (31 December 2023: CZK 65,030 million) is represented by treasury bills that are not recognised in the statement of financial position.
2) Comprises collateral granted for derivative transactions.
3) Represents an unsolicited dividend for the years 2021, 2022, 2023 and 2024 transferred to Komerční banka, a.s. that is administering the payment.

The Bank did not recognise any allowances to loans and receivables to banks during 2024 and 2023, as such exposures are short-term only and impact is immaterial.

23. LOANS AND RECEIVABLES TO CUSTOMERS

(a) Loans and receivables to customers by sector

CZK m	31 Dec 2024	31 Dec 2023
Financial organisations[1)]	12,936	13,008
Non-financial organisations	49,724	44,128
Government sector	116	104
Non-profit organisations	41	53
Entrepreneurs	20,756	17,697
Resident individuals	173,192	169,059
Non-residents	6,847	6,103
Gross carrying amount of Loans and receivables to customers	**263,612**	**250,152**
Less Loss allowance for Loans and receivables to customers	(3,679)	(4,271)
Net book value of Loans and receivables to customers	**259,933**	**245,881**

1) The balance of gross loans and receivables to financial organisations includes exposures to MONETA Leasing, s.r.o., and MONETA Auto, s.r.o. in the total amount of CZK 11,644 million as at 31 December 2024 (as at 31 December 2023 CZK 11,479 million).

(b) Loans and receivables to customers by product

CZK m	31 Dec 2024 Gross carrying amount	31 Dec 2024 Allowances	31 Dec 2024 Carrying amount	31 Dec 2023 Gross carrying amount	31 Dec 2023 Allowances	31 Dec 2023 Carrying amount
Retail loan balances						
Consumer Loans	39,324	(1,775)	37,549	37,782	(2,045)	35,737
Mortgages[1)]	131,179	(569)	130,610	128,604	(658)	127,946
Credit Cards & Overdrafts	2,449	(158)	2,291	2,470	(200)	2,270
Other	7	(7)	-	8	(8)	-
Total Retail	**172,959**	**(2,509)**	**170,450**	**168,864**	**(2,911)**	**165,953**
Commercial loan balances						
Investment Loans	56,858	(281)	56,577	51,188	(281)	50,907
Working Capital	16,911	(202)	16,709	15,715	(193)	15,522
Unsecured Instalment Loans and Overdraft	16,879	(682)	16,197	14,380	(881)	13,499
Other	5	(5)	-	5	(5)	-
Total Commercial	**90,653**	**(1,170)**	**89,483**	**81,288**	**(1,360)**	**79,928**
Total Loans and receivables to customers	**263,612**	**(3,679)**	**259,933**	**250,152**	**(4,271)**	**245,881**

1) Part of the mortgage portfolio is an underlying asset for mortgage-backed bonds.

(c) Loss allowances for loans and receivables to customers by sectors

CZK m	Financial organisations	Non-financial organisations	Non-profit organisations	Entrepreneurs	Resident individuals	Non-residents	Total
1 Jan 2024	**6**	**553**	**1**	**745**	**2,867**	**99**	**4,271**
Net change of allowances recognised in Statement of Financial position	-	13	-	(2)	274	(5)	280
Effect of written off receivables	-	(36)	-	(148)	(663)	(27)	(874)
Exchange rate variances	-	1	-	-	-	1	2
31 Dec 2024	**6**	**531**	**1**	**595**	**2,478**	**68**	**3,679**

CZK m	Financial organisations	Non-financial organisations	Non-profit organisations	Entrepreneurs	Resident individuals	Non-residents	Total
1 Jan 2023	**44**	**528**	**5**	**706**	**3,293**	**86**	**4,662**
Net change of allowances recognised in Statement of Financial position	(38)	52	(4)	137	69	25	241
Effect of written off receivables	-	(29)	-	(98)	(495)	(15)	(637)
Exchange rate variances	-	2	-	-	-	3	5
31 Dec 2023	**6**	**553**	**1**	**745**	**2,867**	**99**	**4,271**

24. INVESTMENT SECURITIES

CZK m	31 Dec 2024	31 Dec 2023
Debt securities measured at amortised cost	113,110	100,769
out of which: government bonds	109,721	97,542
out of which: corporate bonds	3,389	3,227
Debt securities measured at FVTPL	41	30
Equity securities measured at FVTOCI	1	1
Equity securities measured at FVTPL	25	25
Total investment securities	**113,177**	**100,825**
By listing:		
- listed	113,110	100,769
- unlisted	67	56

Debt securities measured at amortised cost are held with the objective to hold the assets and collect contractual cash flow, thus presented under the Hold to Collect business model.

Expected credit losses related to debt securities measured at amortised cost at 31 December 2024 amount to CZK 21 million (31 December 2023: CZK 22 million).

In 2024, there was sale of corporate bonds from the portfolio measured at amortised cost held within the business model Hold to Collect in the amount of CZK 1,086 million (2023: CZK 1,186 million). The bond sale was considered as infrequent sale of insignificant value according to the business model assessment.

Equity securities measured at FVTOCI include investment in SWIFT. The Bank elected the irrevocable option provided by IFRS 9 to classify its investment in SWIFT as at the date of transition to IFRS 9 as FVTOCI as the Bank intends to hold these in the long term and they were measured in the same way according to IAS 39 and IFRS 9. Since transitioning to IFRS 9, all gains and losses resulting from FVTOCI equity instruments, including when derecognised or sold, are recorded in OCI and are not subsequently reclassified to profit or loss. The Bank did not receive any dividends relating to FVTOCI equity instruments in 2024 and 2023. There have been no disposals from FVTOCI equity securities in periods 2024 and 2023.

In April 2021, the Bank purchased a 10% share of Bankovní identita, a.s. The share is classified as an equity instrument measured at FVTPL. The reason for purchasing the share was to closely participate in the provision of identity verification services provided by Bankovní identita, a.s. As at 31 December 2024, the Bank holds an 8% share of Bankovní identita, a.s. and the total investment amounts to CZK 25.2 million.

Debt securities measured at FVTPL consist of the VISA Preferred Stock Series C securities that can be sold in the future when it is possible and VISA Series A Convertible Participating Preferred Stock that can be converted into marketable shares.

As at 31 December 2024, the Bank had no repurchase transactions, therefore, no debt securities measured at amortised cost are transferred as collateral under these transactions. As at 31 December 2023, debt securities measured at amortised cost with a carrying amount of CZK 2,824 million were transferred as collateral under repurchase transactions.

25. ISSUED BONDS

Mortgage-Backed Bonds

The Bank maintained 8 tranches of mortgage-backed securities in the total nominal amount of CZK 9,200 million for funding purposes.

ISIN	Issue date	Currency	Maturity date	Interest rate	Total nominal amount outstanding CZK m
CZ0002007594	16 Apr 2021	CZK	16 Apr 2025	1.82% p.a.	1,200
CZ0002007628	16 Apr 2021	CZK	16 Apr 2026	1.96% p.a.	1,100
CZ0002007602	16 Apr 2021	CZK	16 Apr 2028	2.05% p.a.	900
CZ0002007610	16 Apr 2021	CZK	16 Apr 2031	2.13% p.a.	500
CZ0002008485	25 Feb 2022	CZK	25 Feb 2025	4.74% p.a.	1,500
CZ0002008493	25 Feb 2022	CZK	25 Feb 2026	4.57% p.a.	2,000
CZ0002009251	21 Mar 2024	CZK	27 Mar 2028	3.64% p.a.	1,000
CZ0002009368	22 Jul 2024	CZK	30 Jul 2029	4.20% p.a.	1,000

The all of issued mortgage-backed securities are held by MONETA Stavební Spořitelna, a.s.

Amortised cost of the outstanding mortgage-backed bonds:

CZK m	31 Dec 2024	31 Dec 2023
Mortgage-backed bonds at amortised cost	9,434	10,486
Total	**9,434**	**10,486**

The Bank did not report any defaults of principal or interest or other breaches with respect to mortgage-backed bonds during the years 2024 and 2023.

Internally Issued Mortgage-Backed Bonds (on own books)

The mortgage-backed bonds are covered by mortgage loans provided to the Group's clients. The purpose of the issuance of these bonds is only in case of potential recovery or resolution strategy of the Bank. In such events, internally held mortgage-backed bonds would be used as collateral for a lombard loan or repo operations predominantly with Czech National Bank in order to support the liquidity position of the Bank . As at 31 December 2024, the Group did not realise any of these above-mentioned operations and the mortgage-backed bonds were held internally, therefore these bonds are not recognised in the Statement of the financial position.

Other Issued Bonds

The Bank issued the bonds as a part of compliance with the minimum requirement for own funds and eligible liabilities ("MREL") requirement which was set for the Bank by the CNB.

The Bank issued the senior preferred bonds in the total nominal amount of CZK 1,500 million and EUR 400 million. The EUR tranches were settled on 3 February 2022 and 11 September 2024 and the CZK tranche was settled on 15 December 2022. Further issue details are described in the following table.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest rate method.

ISIN	Issue date	Currency	Maturity date	Interest rate	Call option	Total nominal amount outstanding EUR m/CZK m
XS2435601443	3 Feb 2022	EUR	3 Feb 2028	1.625% p.a.	after 5 years	100
CZ0003707671	15 Dec 2022	CZK	15 Dec 2026	8.00% p.a.	after 3 years	1,500
XS2898794982	11 Sep 2024	EUR	11 Sep 2030	4.414% p.a.	after 5 years	300

Amortised cost of the outstanding Other issued bonds:

CZK m	31 Dec 2024	31 Dec 2023
Other issued bonds at amortised cost	11,562	3,808
Total	**11,562**	**3,808**

The Bank did not report any default of principal or interest or other breaches with respect to other issued bonds during the years 2024 and 2023.

26. SUBORDINATED LIABILITIES

Issued Subordinated Debt Securities

Subordinated debt securities were issued to strengthen regulatory capital. These liabilities are subordinated to all other liabilities of the Bank. As at 31 December 2024, they form in the partial amount of CZK 4.5 billion a part of the Tier 2 capital of the Bank as defined by the CNB for the purposes of determination of its capital adequacy.

These instruments are initially measured at fair value minus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest rate method.

The Bank issued debt securities in the total nominal amount of CZK 4,602 million.

	ISIN	Issue date	Currency	Maturity date	Interest rate	Call option	Total nominal amount at issue date CZK m
MB 3.30/29	CZ0003704918	25 Sep 2019	CZK	25 Sep 2029	5.65% p.a.[1)]	after 5 years[2)]	2,001
MB 3.79/30	CZ0003705188	30 Jan 2020	CZK	30 Jan 2030	3.79% p.a.	after 5 years	2,601

1) Effective from 25 September 2024, in accordance with the bond prospectus, the interest rate was adjusted from a fixed rate of 3.30% p.a. to a floating rate calculated as 6M PRIBOR plus a 1.63% margin.
2) The first opportunity to exercise the call option after 5 years has expired. The call option can now be exercised each year on the anniversary date.

Amortised cost of the outstanding subordinated debt securities:

CZK m	31 Dec 2024	31 Dec 2023
Subordinated debt securities at amortised cost	4,706	4,690
Total	**4,706**	**4,690**

The Bank did not report any default of principal or interest or other breaches with respect to subordinated liabilities during the years 2024 and 2023.

Subordinated Deposits

In the second quarter of 2023, the Bank strengthened its capital and eligible liabilities through a subordinated deposit offering. The Bank has received subordinated deposits in the amount of CZK 2.9 billion. The term of the subordinated deposit is set at five years with a guaranteed interest rate of 7 percent for the entire term. As at 31 December 2024, they form in the partial amount of CZK 2.1 billion a part of the Tier 2 capital of the Bank as defined by the CNB for the purposes of determination of its capital adequacy (see note 43.1).

CZK m	31 Dec 2024	31 Dec 2023
Subordinated deposits at amortised cost	2,916	2,914
Total	**2,916**	**2,914**

27. FINANCIAL DERIVATIVES

The Bank enters into financial derivatives predominantly to hedge its interest rate risk position and secondly to economically hedge its FX risk position. All maintained financial derivatives are contracted Over the Counter ("OTC").

Interest rate swaps or cross currency interest rate swaps are recognised at inception as hedging instruments according to IAS 39, in order to hedge their exposure to the change of the fair value of a defined part of portfolio of assets or liabilities related to interest rate risk (see note 5.6.9).

Foreign exchange derivatives (currency swaps, currency forwards) are constructed to economically hedge the foreign currency risk but these derivatives are not designated at initial recognition as hedging derivatives. They are held under Other business model (Derivatives classified as held for trading) and measured at FVTPL and presented in the lines "Derivative financial instruments with positive/ negative fair value" (derivatives with positive fair values within assets, derivatives with negative fair values within liabilities).

In the statement of financial position, derivatives with positive fair values (total fair value including accrued interest) are presented in the line item "Hedging derivatives with positive fair values", derivatives with negative fair values (total fair value including accrued interest) are disclosed in the line "Hedging derivatives with negative fair values".

In the years 2024 and 2023, the immaterial ineffectiveness on the hedging relationship was recognised in profit or loss.

Financial derivatives classified as held for trading:

31 Dec 2024	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
CURRENCY DERIVATIVES				
Currency swaps	14,031	14,009	29	1
Currency forwards	3,665	3,660	54	51
Cross currency interest rate swaps - discontinued fair value hedges	738	735	41	37
INTEREST RATE DERIVATIVES				
Interest rate swaps - discontinued fair value hedges	8,978	8,978	472	443
Total derivatives for trading	**27,412**	**27,382**	**596**	**532**

31 Dec 2023	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
CURRENCY DERIVATIVES				
Currency swaps	1,734	1,745	1	13
Currency forwards	2,617	2,612	66	61
Cross currency interest rate swaps - discontinued fair value hedges	732	729	19	27
INTEREST RATE DERIVATIVES				
Interest rate swaps - discontinued fair value hedges	7,673	7,673	458	422
Total derivatives for trading	**12,756**	**12,759**	**544**	**523**

Financial derivatives designated at initial recognition as hedging derivatives:

31 Dec 2024	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
INTEREST RATE DERIVATIVES				
Interest rate swaps designated as fair value hedges	143,032	143,032	2,314	4,147
CURRENCY DERIVATIVES				
Cross currency interest rate swaps designed as fair value hedges	1,996	2,093	-	112
Total hedging derivatives				
	145,028	**145,125**	**2,314**	**4,259**

31 Dec 2023	Nominal value		Fair value	
CZK m	Assets	Liabilities	Assets	Liabilities
INTEREST RATE DERIVATIVES				
Interest rate swaps designated as fair value hedges	120,564	120,564	2,701	4,490
CURRENCY DERIVATIVES				
Cross currency interest rate swaps designed as fair value hedges	1,996	2,055	-	58
Total hedging derivatives	**122,560**	**122,619**	**2,701**	**4,548**

Cash collateral of financial derivatives:

31 Dec 2024	Fair value		Cash collateral	
CZK m	Assets	Liabilities	Received	Granted
Financial derivatives	2,910	4,791	621	2,513

31 Dec 2023	Fair value		Cash collateral	
CZK m	Assets	Liabilities	Received	Granted
Financial derivatives	3,245	5,071	834	2,238

28. INTANGIBLE ASSETS

CZK m	Software purchased	Software internally developed	Core Deposit Intangible (CDI)	Intangibles not yet activated	Total
Carrying amount as at 31 Dec 2022	**173**	**2,651**	**51**	**310**	**3,185**
Additions to assets	62	537	-	631	1,230
Activated assets during period	-	-	-	(599)	(599)
Amortisation for period	(92)	(543)	(23)	-	(658)
Impairment of assets	-	-	-	-	-
Carrying amount as at 31 Dec 2023	**143**	**2,645**	**28**	**342**	**3,158**
Additions to assets	70	556	-	719	1,345
Activated assets during period	-	-	-	(626)	(626)
Amortisation for period	(99)	(550)	(23)	-	(672)
Impairment of assets	-	-	-	-	-
Carrying amount as at 31 Dec 2024	**114**	**2,651**	**5**	**435**	**3,205**

CZK m	Software purchased	Software internally developed	Core Deposit Intangible (CDI)	Intangibles not yet activated	Total
Cost as at 31 Dec 2022	954	7,082	144	310	8,490
Accumulated Amortisation and Impairment 2022	(781)	(4,431)	(93)	-	(5,305)
Carrying amount as at 31 Dec 2022	**173**	**2,651**	**51**	**310**	**3,185**
Cost as at 31 Dec 2023	1,015	7,620	138	342	9,115
Accumulated Amortisation and Impairment 2023	(872)	(4,975)	(110)	-	(5,957)
Carrying amount as at 31 Dec 2023	**143**	**2,645**	**28**	**342**	**3,158**
Cost as at 31 Dec 2024	996	8,043	138	435	9,612
Accumulated Amortisation and Impairment 2024	(882)	(5,392)	(133)	-	(6,407)
Carrying amount as at 31 Dec 2024	**114**	**2,651**	**5**	**435**	**3,205**

Annual costs related to research and development that did not meet capitalisation criteria amounted to CZK 138 million in 2024 (2023: CZK 107 million).

29. PROPERTY AND EQUIPMENT

CZK m	Capital improvements of leased assets	Equipment and machinery	Fixtures and other tangibles	Right-of-use assets – real estates	Right-of-use assets – other assets	Property and equipment not yet activated	Total
Carrying amount as at 31 Dec 2022	**325**	**485**	**30**	**1,452**	**-**	**22**	**2,314**
Additions to assets	58	148	7	481[2)]	-	684	1,378
Disposals/Activated assets during period	(1)	(33)	-	-	-	(694)	(728)
Depreciation for period	(65)	(135)	(12)	(319)	-	-	(531)
Impairment of assets[1)]	-	(3)	-	(32)	-	-	(35)
Carrying amount as at 31 Dec 2023	**317**	**462**	**25**	**1,582**	**-**	**12**	**2,398**
Additions to assets	52	100	20	170	20	385	747
Disposals/Activated assets during period	-	(11)	-	-	-	(362)	(373)
Depreciation for period	(62)	(122)	(7)	(314)	(4)	-	(509)
Impairment of assets[1)]	-	(2)	-	(2)	-	-	(4)
Carrying amount as at 31 Dec 2024	**307**	**427**	**38**	**1,436**	**16**	**35**	**2,259**

1) Impairment of assets related to "Right-of-use assets – real estates" results from ATMs and branches terminations.
2) Increase of amount in 2023 is mainly driven by prolonging the lease term of the Prague Headquarters building by 2 years.

CZK m	Capital improvements of leased assets	Equipment and machinery	Fixtures and other tangibles	Right-of-use assets – real estates	Right-of-use assets – other assets	Property and equipment not yet activated	Total
Cost as at 31 Dec 2022	1,048	1,447	139	2,676	-	22	5,332
Accumulated Depreciation 2022	(723)	(962)	(109)	(1,224)	-	-	(3,018)
Carrying amount as at 31 Dec 2022	**325**	**485**	**30**	**1,452**	**-**	**22**	**2,314**
Cost as at 31 Dec 2023	1,054	1,322	140	3,023	-	12	5,551
Accumulated Depreciation 2023	(737)	(860)	(115)	(1,441)	-	-	(3,153)
Carrying amount as at 31 Dec 2023	**317**	**462**	**25**	**1,582**	**-**	**12**	**2,398**
Cost as at 31 Dec 2024	1,089	1,308	158	3,165	20	35	5,775
Accumulated Depreciation 2024	(782)	(881)	(120)	(1,729)	(4)	-	(3,516)
Carrying amount as at 31 Dec 2024	**307**	**427**	**38**	**1,436**	**16**	**35**	**2,259**

30. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

31 Dec 2024
CZK m

Name	Registered office	Business activity	Equity 31 Dec 2024	Share of voting rights	Share in equity	Cost	Book value
MONETA Auto, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Auto financing (Providing of loans)	762	100%	100%	6,787	1,859
MONETA Leasing, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Financing of loans and leasing	181[2)]	100%	100%	2,938	3
MONETA Stavební Spořitelna, a.s.	Vyskočilova 1442/1b, 140 00 Prague 4	Building savings and bridging loans	2,250	100%	100%	2,603	2,603
CBCB - Czech Banking Credit Bureau, a.s.[1)]	Štětkova 1638/18 140 00 Prague 4	Banking Credit Register	3[2),3)]	20%	20%	-	3
Total investments in subsidiaries and associates as at 31 Dec 2024						**12,328**	**4,468**

1) The Bank holds its share in CBCB - Czech Banking Credit Bureau, a.s. in order to obtain information related to the credit quality of current and potential customers.
2) According to IFRS Accounting Standards - unaudited.
3) Share of equity belonging to the Bank.

31 Dec 2023
CZK m

Name	Registered office	Business activity	Equity 31 Dec 2023	Share of voting rights	Share in equity	Cost	Book value
MONETA Auto, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Auto financing (Providing of loans)	672	100%	100%	6,787	1,859
MONETA Leasing, s.r.o.	Vyskočilova 1442/1b, 140 00 Prague 4	Financing of loans and leasing	233[2)]	100%	100%	2,938	3
MONETA Stavební Spořitelna, a.s.	Vyskočilova 1442/1b, 140 00 Prague 4	Building savings and bridging loans	2,832	100%	100%	2,603	2,603
CBCB - Czech Banking Credit Bureau, a.s.[1)]	Štětkova 1638/18 140 00 Prague 4	Banking Credit Register	3[2),3)]	20%	20%	-	-
Total investments in subsidiaries and associates as at 31 Dec 2023						**12,328**	**4,466**

1) The Bank holds its share in CBCB - Czech Banking Credit Bureau, a.s. in order to obtain information related to the credit quality of current and potential customers.
2) According to IFRS Accounting Standards - unaudited.
3) Share of equity belonging to the Bank.

In 2024, the Bank provided tests of these investments for potential impairment. The assessments for MONETA Auto, s.r.o., and MONETA Stavební Spořitelna, a.s., have been made with the following assumptions: value in use (recoverable amount) has been determined using cash flow predictions based on financial budgets covering a five-year period, with a terminal growth rate of 2% applied thereafter (2023: 2%). The forecast cash flows have been discounted at an after-tax rate of 13% (2023: 12%) and the resulting net present value of future cash flows was compared to the carrying value of these investments. No impairment loss was identified in years 2024 and 2023.

The assessments for MONETA Leasing, s.r.o., have been made with the following assumptions: value in use (recoverable amount) has been determined using cash flow predictions based on financial budgets covering a five-year period. The forecast cash flows have been discounted at an after-tax rate of 13% (2023: 12%) and the resulting net present value of future cash flows was compared to the carrying value of this investment. No impairment was identified in 2024 (2023: CZK 0 million). Since November 2022, MONETA Leasing, s.r.o., ceased to provide new financing and started only maintaining existing loan and lease contracts. In line with IFRS 5 MONETA Leasing, s.r.o., shall not be reported as a discontinued operation.

Information about financial results of subsidiaries is available in the investor relations section of the Bank's website at: https://investors.moneta.cz.

Changes in investments in subsidiaries and associates in 2024

CZK m	Book value 1 Jan 2024	Change	Book value 31 Dec 2024
MONETA Auto, s.r.o.	1,859	-	1,859
MONETA Leasing, s.r.o.	3	-	3
MONETA Stavební Spořitelna, a.s.	2,603	-	2,603
CBCB - Czech Banking Credit Bureau, a.s.	-	3	3
Total	**4,466**	**3**	**4,468**

Changes in investments in subsidiaries and associates in 2023

CZK m	Book value 1 Jan 2023	Change	Book value 31 Dec 2023
MONETA Auto, s.r.o.	1,859	-	1,859
MONETA Leasing, s.r.o.	3	-	3
MONETA Stavební Spořitelna, a.s.	2,603	-	2,603
CBCB - Czech Banking Credit Bureau, a.s.	-	-	-
Total	**4,466**	**-**	**4,466**

31. CURRENT TAX ASSETS AND CURRENT TAX LIABILITIES

CZK m	31 Dec 2024	31 Dec 2023
Current tax assets	59	57

Corporate income tax advances were offset with current income tax payable in the 2023 tax return and the difference was settled with the tax authority in 2024.

32. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is determined based on all temporary and timing differences between the tax residual values of assets and liabilities and their residual book values in the Bank's financial statements. Deferred tax is determined using the tax rate enacted by the balance sheet date. The tax rate used also considers the impact of the Windfall tax. For the determination of deferred tax assets and liabilities as at 31 December 2024, a tax rate of 21% is used (31 December 2023: 21%).

The recognition of deferred tax assets relies on an assessment of the probability and sufficiency of future taxable profits, future reversals of existing taxable temporary differences and ongoing tax planning strategies.

Deferred tax assets and liabilities consist of the following differences:

CZK m	31 Dec 2024	31 Dec 2023
Deferred tax liabilities	**(485)**	**(457)**
Difference between book value and tax residual value of long-lived assets	(485)	(457)
Deferred tax assets	**151**	**130**
Loss allowances for loans and receivables to customers	3	10
Difference between book value and tax residual value of long-lived assets	54	33
Other temporary variances	94	87
Net deferred tax at the end of period[1)]	**(334)**	**(327)**

1) The Bank is offsetting deferred tax asset and deferred tax liability and reports net deferred tax.

The following table shows the movement of the net deferred tax asset:

CZK m	2024	2023
Net deferred tax at the beginning of period	**(327)**	**(320)**
Change in net deferred tax - total profit or loss impact	**(7)**	**(7)**
- Loss allowances for loans and receivables to customers	(7)	(30)
- Difference between book value and tax residual value of long-lived assets	(7)	(9)
- Other temporary variances	7	32
Net deferred tax at the end of period	**(334)**	**(327)**

33. OTHER ASSETS

CZK m	31 Dec 2024	31 Dec 2023
Accounts receivable	120	113
Advances and guarantees for rent related services	226	182
Receivables from finance authorities	12	-
Other receivables net of allowances	64	34
out of which: allowances	(14)	(17)
Prepayments	371	297
Other accruals	496	341
Total other assets	**1,289**	**967**

34. DUE TO BANKS

The Bank has the following liabilities to other banks:

CZK m	31 Dec 2024	31 Dec 2023
Deposits on demand	882	626
Term deposits	195	-
Liabilities arising from repurchase agreements[1)]	-	2,531
Cash collateral received[2)]	405	563
Other due to banks[3)]	2,566	1,731
Total due to banks	**4,048**	**5,451**
Type of rate:		
Fixed interest rate	2,761	4,262
Floating interest rate	1,287	1,189

1) For more details about financial assets granted as collateral for Liabilities arising from repurchase agreements see note 21.
2) Cash collaterals received represent Credit Support Annex (CSA) Collaterals of banks for derivative transactions in the amount of CZK 405 million as at 31 December 2024 (CZK 563 million as at 31 December 2023).
3) Other due to banks comprises loan provided by European Investment Bank ("EIB") in March 2024. This loan amounts to CZK 2,566 million as at 31 December 2024 (2023: loan provided by EIB in January 2021 in amount of CZK 1,731 million as at 31 December 2023).

35. DUE TO CUSTOMERS

Breakdown of due to customers by sector:

CZK m	31 Dec 2024	31 Dec 2023
Financial organisations	960	2,141
Non-financial organisations	55,887	43,623
Insurance organisations	486	655
Government sector	8,849	8,353
Non-profit organisations	15,666	12,141
Entrepreneurs	19,761	17,202
Resident individuals	296,902	284,643
Non-residents	5,163	2,816
Total Due to customers	**403,674**	**371,574**
Rate type:		
Fixed interest rate	57,081	53,588
Floating interest rate[1)]	346,005	317,370
Non-interest-bearing	588	616
Total due to customers	**403,674**	**371,574**

1) This item principally includes client deposits where the Bank has the option to reset interest rates and hence, they are not sensitive to interest rate changes. Generally, it is the rate declared by the Bank.

Breakdown of due to customers by product is as follows:

CZK m	31 Dec 2024	31 Dec 2023
Retail due to customers	**298,409**	**286,197**
Current accounts	54,839	52,592
Savings accounts and term deposits	243,570	233,605
Commercial due to customers	**104,686**	**84,777**
Current accounts	53,187	41,759
Savings accounts and term deposits	51,499	43,018
Cash collateral received	**215**	**270**
Other liabilities towards customers	**364**	**330**
Total due to customers	**403,674**	**371,574**

Unrecognised due to customers:

CZK m	31 Dec 2024	31 Dec 2023
Outstanding amount of investment funds	59,373	38,498

36. PROVISIONS

CZK m	2024	2023
Provisions for undrawn loan commitments[1]		
1 Jan	**101**	**129**
Additions to provisions	298	299
Use of provisions	-	-
Release of unused provisions	(309)	(327)
31 Dec	**90**	**101**
Other provisions		
1 Jan	**165**	**173**
Additions to provisions	153	134
Use of provisions	(144)	(133)
Release of unused provisions	(2)	(9)
31 Dec	**172**	**165**
Total provisions	**262**	**266**

1) Majority of the balance results from overdraft facilities and working capital and is usually settled up to 1 year.

Provisions for undrawn loan commitments are created for irrevocable loan commitments (refer to note 40).

The Bank created other provisions for its legal obligations associated with the retirement of the premises leased for operation, for restructuring, for commissions claw-back and for collection services.

Other provisions

CZK m	31 Dec 2024	31 Dec 2023
Provisions for assets retirement obligation[1]	34	34
Provisions for restructuring	5	2
Provisions for commissions claw-back[2]	126	118
Other	7	11
Total other provisions	**172**	**165**

1) Settlement is driven by abandonment of leased property. Lease term of such contracts is shown in note 41.
2) Commission claw-back is applicable over 60 months from origination of the contract.

37. OTHER LIABILITIES

CZK m	31 Dec 2024	31 Dec 2023
Trade payables	190	261
Payables to employees	130	127
Payables for social and health insurance	62	58
Payables to the state	107	158
Accruals for uninvoiced services/goods	485	394
Accruals for employees bonuses[1]	397	298
Clearing account of payment settlement[2]	1,120	621
Deferred income and accrued expenses	36	27
Lease liabilities	1,388	1,500
Other[3]	259	67
Total other liabilities	**4,174**	**3,511**

1) Accruals for employee bonuses as at 31 December 2024 include bonuses to members of the Management Board under the EVIP policy of CZK 205 million (2023: CZK 142 million) described in note 39 and other management, retention or sales bonuses.
2) Line "Clearing account of payment settlement" comprises especially balances from settlement of card transactions and payments transactions processed via the CNB clearing system. The line may result either as an asset or liability. In the case, the closing balance is an asset, it is recognised within "Other assets".
3) Line "Other" as at 31 December 2024 includes an unsolicited dividend for the years 2021 – 2024 in the amount of CZK 108 million (2023: CZK 2 million).

38. EQUITY

38.1 SHARE CAPITAL

All of the Bank's shares are ordinary freely transferable shares with no special rights or restrictions attached. The ordinary shares carry, among other rights provided for in law and the Bank's Articles of Association, the right to participate in the General Meeting of the Bank through exercising voting rights (with one vote per share) and the right to share in profits. Since 23 November 2015, the registered capital of the Bank had been CZK 511 million, was fully paid up and is presented as Share capital in the statement of financial position. On 11 April 2016, 511 ordinary registered book-entry shares in the Bank with a par value of CZK 1,000,000 each were split into 511,000,000 fully paid ordinary registered book-entry shares with a par value of CZK 1.00 each.

On 26 November 2019 the increase in the registered share capital was approved by shareholders of the Bank at the General Meeting and was accomplished exclusively through the increase of the nominal value of the shares from the original nominal value of CZK 1.00 to CZK 20.00. The registered share capital currently consists of 511,000,000 fully paid ordinary registered book-entry shares with a par value of CZK 20.00 each.

Since then, the Bank has not issued any ordinary or other shares. The Bank did not acquire any of its own shares.

The latest available list of entities recorded in the registry of book-entry shares of the Bank kept by the Central Securities Depository Prague (Centrální depozitář cenných papírů, a.s.) with a shareholding interest of more than 1% of the Bank's registered share capital is available in the investor relations section of the Bank's website at: https://investors.moneta.cz/shares. Such entities may not necessarily be the beneficial shareholders of the Bank but may hold shares of the Bank for the beneficial shareholders (as securities brokers, banks, custodians or nominees).

Please refer to chapter 1.4 of the Annual financial report to the section "Shareholder structure" for the information on the shareholder structure of the Bank as at 31 December 2024. As far as the Bank is aware, no shareholder was a controlling entity of the Bank as at 31 December 2024.

Overview of related parties holding shares of the Bank as at 31 December 2024:

	31 Dec 2024		31 Dec 2023	
Shareholder	**Number of shares**	**Ownership in %**	**Number of shares**	**Ownership in %**
Tanemo a.s., Entity with significant influence on MONETA	153,000,000	29.941%	153,000,000	29.941%
Tomáš Spurný, Chairman of the Management Board	304,839	0.060%	304,839	0.060%
Jan Friček, Member of the Management Board	35,000	0.007%	35,000	0.007%
Jan Novotný, Member of the Management Board	23,300	0.005%	23,300	0.005%
Carl Normann Vökt, Vice-Chairman of the Board	35,025	0.007%	25,122	0.005%
Tatiana Eichler, closely related to the Chairman of the Supervisory Board	100,000	0.020%	100,000	0.020%

Mr. Michal Petrman's four-year term of office in the Bank's Supervisory Board and Audit Committee expired in September 2024 and therefore he was not a related party as at 31 December 2024.

No other related person or other related party with a relationship to the Bank held any shares of the Bank as at 31 December 2024 or 31 December 2023.

38.2 STATUTORY RESERVE AND RESERVE FROM REVALUATION OF FINANCIAL ASSETS

Statutory reserve

The reserve fund stood at CZK 102 million as at 31 December 2024 (31 December 2023: CZK 102 million) represents Legal and statutory reserve of MONETA Money Bank, a.s.

Reserve from revaluation of FVTOCI (presented in "Other reserves")

CZK m	**Debt instruments**	**Equity instruments**	**Deferred Tax**	**Total**
1 Jan 2024	**-**	**1**	**-**	**1**
Gains and losses in the period recognised in the income statement	-	-	-	-
Gains and losses in the period recognised in Reserve from revaluation of FVTOCI	-	-	-	-
31 Dec 2024	**-**	**1**	**-**	**1**

CZK m	**Debt instruments**	**Equity instruments**	**Deferred Tax**	**Total**
1 Jan 2023	**-**	**1**	**-**	**1**
Gains and losses in the period recognised in the income statement	-	-	-	-
Gains and losses in the period recognised in Reserve from revaluation of FVTOCI	-	-	-	-
31 Dec 2023	**-**	**1**	**-**	**1**

38.3 DIVIDENDS PER SHARE

The following table shows dividends per share paid to owners:

CZK	2024	2023
Paid dividends per share within period	12.00[1)]	8.00

1) The General Meeting held on 23 April 2024 approved the dividend payment of CZK 9 per share which was paid on 21 May 2024. The General Meeting held on 19 November 2024 approved the dividend payment of CZK 3 per share which was paid on 17 December 2024.

On 31 January 2025, the Bank's Management Board announced that it will propose to shareholders a dividend for the year 2024 in the amount of CZK 10 per share for approval at the Annual General Meeting, which will be held on 24 April 2025. The total amount of the distributed dividend will reach CZK 5,110 million.

39. BONUSES TIED TO THE EQUITY

Executive Variable Incentive Plan (EVIP)

In 2017, the variable remuneration programme Executive Variable Incentive Plan (EVIP) was introduced for the Management Board members and other Material Risk Takers. Since 2024, an integral part of this programme is also the EVIP Executive Long-Term Premium Award for the Management Board members, which is derived from the fulfilment of mid-term financial targets set as part of the three-year mid-term guidance which is defined and published at the beginning of the three-year evaluation cycle. The first award granted in 2024 was based on the financial performance for the years 2021, 2022, and 2023, evaluated against the mid-term guidance published on 5 February 2021.

The total balance of accrual for EVIP disclosed in "Other liabilities" as at 31 December 2024 is CZK 205.3 million (31 December 2023: CZK 142.1 million), of which CZK 102.7 million (31 December 2023: CZK 59.7 million) relates to cash settled share-based payment remuneration that will be paid in the following years in three to five cash instalments as defined in EVIP conditions regardless of potential termination of the membership of the Management Board. This variable part of EVIP bonuses is tied to the total shareholder return (TSR), hence the amount paid will vary according to changes in the market price of the Bank's shares and profit distributions of the Bank (dividend paid).

For more details about EVIP (esp. total awarded and paid rewards from 2020 to 2024), please refer to the Remuneration Report 2024 (remuneration documents have been published and are available on the investors website in the Remuneration section at https://investors.moneta.cz/corporate-documents).

40. CONTINGENT LIABILITIES

40.1 LOAN COMMITMENTS AND ISSUED GUARANTEES

CZK m	31 Dec 2024	31 Dec 2023
Loan commitment	24,986	24,101
Issued guarantees	1,186	864
Credit limits on issued guarantees[1)]	1,387	1,372
Issued letter of credit	8	5
Total loan commitments and issued guarantees – gross carrying value	**27,567**	**26,342**
Provisions to expected credit losses	(104)	(115)
Total loan commitments and issued guarantees – net carrying value	**27,463**	**26,227**

1) This line represents committed limits on guarantees that can be withdrawn by customers.

40.2 LEGAL DISPUTES

The Bank is not a party of any significant legal disputes.

41. LEASES

The Bank as a Lessee

The major lease contracts of the Bank are leases of administrative premises in Prague, Ostrava, leases of branches' premises and space for ATM's across the Czech Republic.

The Bank determines the lease term as specified in the contract (for definite period leases) or the best estimate made by management (for all other contracts) based on historical experience and branch management strategy. The Bank assesses the lease term at commencement date and reassesses it on annual basis or if there is a significant event or significant change in circumstances or branch management strategy.

The lease payments vary with the location of premises and are payable either in CZK or EUR. Some of the leases are indexed annually, depending on development of inflation.

The Bank leases IT equipment, ATMs and advertising spaces, which are expected to be closed within 12 months. These leases are short-term and/or leases of low-value items. The Bank has elected not to recognise right-of-use assets and lease liabilities for these leases.

Movement of Right-of-use resulting from leases for which the Bank is a lessee is presented below:

CZK m	Buildings	Space under ATMs	Parking place	IT Hardware	Total
Balance at 1 January 2024	**1,504**	**61**	**17**	**-**	**1,582**
Depreciation charge for the year	(290)	(19)	(5)	(4)	(318)
Additions and modifications to right-of-use assets	165	3	2	20	190
Derecognition of right-of-use assets	(1)	(1)	-	-	(2)
Balance at 31 December 2024	**1,378**	**44**	**14**	**16**	**1,452**

CZK m	Buildings	Space under ATMs	Parking place	IT Hardware	Total
Balance at 1 January 2023	**1,370**	**67**	**15**	**-**	**1,452**
Depreciation charge for the year	(295)	(20)	(4)	-	(319)
Additions and modifications to right-of-use assets	459[1)]	15	7	-	481
Derecognition of right-of-use assets	(30)	(1)	(1)	-	(32)
Balance at 31 December 2023	**1,504**	**61**	**17**	**-**	**1,582**

1) The increase in 2023 is driven by the extension of the lease term of the Prague Headquarters building by 2 years.

Information about lease term of particular leased assets categories are presented below:

31 Dec 2024 CZK m	Right-of-use	Minimum lease term (in months)	Maximum lease term (in months)
Buildings	1,378	37	168
Space under ATMs	44	18	112
Parking place	14	15	168
IT Hardware[1)]	16	60	60
Total	**1,452**		

1) In 2024, the Bank has entered into a new lease contract of IT infrastructure assets.

31 Dec 2023 CZK m	Right-of-use	Minimum lease term (in months)	Maximum lease term (in months)
Buildings	1,504	23	145
Space under ATMs	61	8	97
Parking place	17	15	142
IT Hardware	-	-	-
Total	**1,582**		

Minimum lease payments reconciliation:

CZK m	
Minimum lease payments under all leases as at 31 December 2024	1,508
Recognition exemption for short-term and low-value leases	17
Effect from discounting at the incremental borrowing rate[1)]	(120)
Liabilities from leases as at 31 December 2024	**1,388**

1) The weighted average of the borrowing rate used for discounting lease liabilities for 2024 is 2.87% (2023: 2.72%) for contracts denominated in CZK and 3.78% (2023: 3.76%) for contracts denominated in EUR.

CZK m	
Minimum lease payments under all leases as at 31 December 2023	1,642
Recognition exemption for short-term and low-value leases	25
Effect from discounting at the incremental borrowing rate[1)]	(142)
Liabilities from leases as at 31 December 2023	**1,500**

1) The weighted average of the borrowing rate used for discounting lease liabilities for 2024 is 2.87% (2023: 2.72%) for contracts denominated in CZK and 3.78% (2023: 3.76%) for contracts denominated in EUR.

There were no leases with residual value guarantees or leases not yet commenced to which the Bank is committed.

Some property leases contain early termination or extension option exercisable by the Bank up to one year before the end of the non-cancellable contract period. Where practicable, the Bank seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Bank and not by the lessors. The Bank assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Bank reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

A maturity analysis of lease liabilities:

CZK m	
Total cash outflow for leases[1)] in 2024 (as at 31 December 2024)	358
Future expected cash outflows - undiscounted	1,508
out of which: less than one year	338
out of which: between one and three years	578
out of which: more than three years	592
Effect from discounting at the incremental borrowing rate	(120)
Total lease liabilities as at 31 December 2024	**1,388**

1) The figure also includes interest payment of CZK 49 million (2023: CZK 27 million).

CZK m	
Total cash outflow for leases in 2023 (as at 31 December 2023)	325
Future expected cash outflows - undiscounted	1,642
out of which: less than one year	322
out of which: between one and three years	553
out of which: more than three years	767
Effect from discounting at the incremental borrowing rate	(142)
Total lease liabilities as at 31 December 2023	**1,500**

The Bank as a Lessor

The Bank leases out its leased premises that have been presented as part of a right-of-use asset to its subsidiaries in the form of operating leasing and sub-leases part of the HQ building in Prague to the third party.

Minimum Lease Payments - Operating leases

CZK m	31 Dec 2024	31 Dec 2023
No later than one year	25	-
Between one and two years	-	-
Between two and three years	-	-
Between three and four years	-	-
Between four and five years	-	-
Later than five years	-	-
Total minimum lease payments	**25**	**-**

42. TRANSACTIONS WITH RELATED PARTIES

The Bank's related parties include entities with significant influence on MONETA, subsidiaries, associates, key management personnel, Supervisory Board and their close family members.

Transactions provided by the Bank to related parties represent bank services (esp. loans and interest-bearing deposits) and other services such as administrative support, finance, risk or compliance function. Expenses from transactions with related parties comprise remuneration to members of the Supervisory Board, Management Board and other Key Executive Managers.

Transactions with related parties are carried out in the normal course of business operations and conducted under normal market conditions. The balances at year end are unsecured.

Transactions with related parties:

2024 CZK m	Related parties with significant influence on MONETA	Subsidiaries	Associates	Key members of the management[1] and Supervisory Board	Total
Statement of financial position					
Loans and receivables to customers	-	11,644	-	36	11,680
Derivative financial instruments with positive fair values	42	-	-	-	42
Hedging derivatives with positive fair values	294	-	-	-	294
Other assets	-	9	-	-	9
Due to customers	41	163	-	31	235
Due to banks	11	214	-	-	225
Issued bonds	-	9,435	-	-	9,435
Derivative financial instruments with negative fair values	49	-	-	-	49
Hedging derivatives with negative fair values	271	-	-	-	271
Other liabilities	-	(3)	-	-	(3)
Statement of profit or loss					
Interest and similar income	128	9	-	-	137
Interest expense and similar charges	(35)	(344)	-	-	(379)
Fee and commission income	8	5	-	-	13
Fee and commission expense	(4)	-	-	-	(4)
Net income from financial operations	69	-	3	-	72
Operating expenses	(44)[2]	(19)	(21)	(134)	(218)
Dividend income	-	1,685	-	-	1,685
Other operating income	-	100	-	-	100

1) Includes members of the Management Board and other Key Executive Managers.
2) Comprises mainly telecommunication services.

2023 CZK m	Related parties with significant influence on MONETA	Subsidiaries	Associates	Key members of the management[1] and Supervisory Board	Total
Statement of financial position					
Loans and receivables to customers	-	11,479	-	34	11,513
Derivative financial instruments with positive fair values	41	-	-	-	41
Hedging derivatives with positive fair values	317	-	-	-	317
Other assets	-	73	-	-	73
Due to customers	30	129	-	20	179
Due to banks	289	28	-	-	317
Issued bonds	-	10,486	-	-	10,486
Derivative financial instruments with negative fair values	47	-	-	-	47
Hedging derivatives with negative fair values	335	-	-	-	335
Other liabilities	-	1	-	-	1
Statement of profit or loss					
Interest and similar income	251	70	-	-	321
Interest expense and similar charges	(32)	(335)	-	-	(367)
Fee and commission income	6	16	-	-	22
Fee and commission expense	(11)	-	-	-	(11)
Net income from financial operations	(470)	-	-	-	(470)
Operating expenses	(48)[2]	(33)	(24)	(124)	(229)
Dividend income	-	1,291	3	-	1,294
Other operating income	-	91	-	-	91

1) Includes members of the Management Board and other Key Executive Managers.
2) Comprises mainly telecommunication services.

Loans and receivables to customers in the amount of CZK 11,644 million as at 31 December 2024 (31 December 2023: CZK 11,479 million) represent intercompany loans to the Bank's subsidiaries (MONETA Leasing, s.r.o., MONETA Auto, s.r.o.).

The line "Operating expenses" from transactions with key members of the management and Supervisory Board includes fixed remuneration paid and variable remuneration recognised to members of the Management Board, Supervisory Board and other Key Executive Managers during the year.

Tanemo a.s., a subsidiary of PPF Group, became a related party with significant influence on MONETA in 2021, thus transactions with entities from PPF Group are considered as related parties transactions in 2024 and 2023.

42.1 REMUNERATION TO MEMBERS OF SUPERVISORY BOARD, MANAGEMENT BOARD AND OTHER KEY EXECUTIVE MANAGERS

The following remuneration was paid to the key members of the management and Supervisory Board during the year:

CZK m	2024	2023
Short-term employee benefits, including:	**101**	**97**
Members of the Management Board and Other Key Executive Managers	89	85
Members of the Supervisory Board	12	12
Other long-term employee benefits, including:	**33**	**27**
Members of the Management Board and Other Key Executive Managers	33	27
Total remuneration	**134**	**124**

This table shows salaries, compensation and other benefits that has been paid to members of the Management Board, Supervisory Board, Audit Committee and other Key Executive Managers during the year. It also includes long-term benefits paid during the year that were granted in previous years. With respect to the immaterial effect of the time value of money, liabilities resulting from long-term benefits are not being discounted.

43. RISK MANAGEMENT

The Bank aims to achieve competitive returns at an acceptable risk level as part of its business activities. Risk management covers the control of risks associated with all business activities in the environment in which the Bank operates and ensures that the risks taken are in compliance with regulatory limits, as well as falling within its risk appetite.

When managing risks, the Bank relies on three pillars:

- people (the qualifications and experience of its employees);
- risk governance (including well-defined information flows, processes, model governance and responsibilities); and
- risk data (including the use of sophisticated analytical instruments and technologies).

This combination has supported the Bank's success and the stability of its economic results.

The Bank's risk management processes are underpinned by advanced analytics based on an enterprise-wide data warehouse and centralised underwriting process. This allows the Bank to price on a risk basis, according to its in-house scoring and rating models.

The level of risk is measured in terms of its impact on the value of assets and/or capital as well as on the profitability of the Bank. To determine this, the Bank evaluates potential effects on its business of changes in political, economic, market and operational conditions, as well as changes in clients' creditworthiness.

43.1 CAPITAL MANAGEMENT

The framework used for capital management involves monitoring and complying with the capital adequacy limit in accordance with the Basel III rules codified in Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended (hereafter "CRR"), Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended (hereafter "CRD"), and Directive (EU) 2014/59 of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (hereafter "BRRD"), and their implementing measures. This European regulatory framework was significantly amended in 2024 with effectivity from 1 January 2025. Furthermore, from a local perspective, the regulatory framework is given mainly by Banking Act No. 21/1992 Coll., as amended, the CNB Decree No. 163/2014 Coll., as amended, and Act No. 374/2015 Coll., on recovery and resolution in the financial market, as amended.

The Bank manages its capital in order to meet the regulatory capital adequacy requirements prescribed in the abovementioned regulations and allow the Bank to continue its operations on a going concern basis while maximising the return to shareholders through the optimisation of the Debt-to-Equity Ratio.

The minimum regulatory capital requirement (Pillar I) is equal to 8% of risk-weighted assets. Additionally, in 2024, the Bank was obliged to maintain on a consolidated basis the Pillar II capital requirement in the amount of 2.3% (from 1 January 2024). The Bank was also obliged to maintain a mandatory capital conservation buffer of 2.5% and a countercyclical capital buffer (of 2% from 1 January 2024, 1.75% from 1 April 2024 and 1.25% from 1 July 2024) that were applied for the whole Czech banking sector. Therefore, the overall minimum regulatory capital requirement on an individual basis was 11.75% and on a consolidated

basis 14.05% as at 31 December 2024. From 1 January 2025, the Bank is obliged to maintain the Pillar II capital requirement on a consolidated basis in the amount of 2%. In addition, the Czech National Bank decided to set the systemic risk buffer at 0.5% effective from 1 January 2025, which means the overall minimum regulatory capital requirement for the Bank on a consolidated basis increased to 14.25% from 1 January 2025.

The Bank decided to maintain as a target a capital adequacy ratio at one percentage point above the overall regulatory minimum capital requirement both on an individual and a consolidated basis. This internal target is subject to an ongoing re-assessment by the Management Board of the Bank based on business results, regulatory changes and development needs.

According to the Recovery and Resolution Act implementing BRRD, banks in the Czech Republic must comply with the Minimum Requirement for Own Funds and Eligible Liabilities (hereafter "MREL"). In 2024, the Bank had to fulfil the MREL requirement on an individual basis of 17.2% of its total risk exposure and 4.92% (from 1 January 2024) and 5.04% (from 26 March 2024) respectively, of its total exposure. The MREL requirement is applied for the Bank only on the individual basis.

To calculate the regulatory capital requirement for credit risk on an individual basis the Bank uses the standardised approach. To calculate the capital requirement for operational risk on an individual basis the Bank uses the standardised method. The Bank has calculated regulatory capital requirements against market risk of the Trading book since 3Q 2018.

In addition to the Pillar I and to ensure a robust capital management framework, the Bank performs under the Pillar II a calculation of internal capital requirements, regular capital planning and stress testing. To calculate the internal capital requirement, the Bank applied methods similar to advanced approaches according to regulatory the Pillar I on a probability level at least 99.9%.

The Bank creates a mid-term capital outlook on a regular basis, which predicts capital adequacy based on the predicted development of external environment, financial markets and the Bank's portfolio characteristics. Next to the base capital plan, the Bank assesses the capital position under several stress scenarios. These are usually based on a worsening of the macroeconomic environment and key risks, which are identified during the Pillar II workshop with members of the Bank's Management Board, selected senior managers of the Bank and key Executive representatives of subsidiaries.

The Bank's capital primarily consists of share capital, share premium and retained earnings that is the highest quality Common Equity Tier 1 capital, and issued Tier 2 capital. The Bank incorporates into Common Equity Tier 1 capital periodically (subject to permissions from the CNB) portion of its quarterly net profit lowered by expected dividend payments.

The Bank met all regulatory requirements regarding capital adequacy in 2024.

Regulatory capital on an individual basis and its components:

CZK m	31 Dec 2024	31 Dec 2023
Common Equity Tier 1 capital CET 1		
Subscribed share capital	10,220	10,220
Share premium	-	-
Statutory reserve and Retained earnings including eligible profit for the year	17,652	17,905
Reserve from revaluation of FVTOCI	1	1
Items deductible from Tier 1 capital	(1,592)	(1,195)
Tier 2 capital		
Qualifying subordinated liabilities	6,557	7,249
Total Regulatory Capital	**32,838**	**34,180**

43.2 CREDIT RISK

Credit risk is the risk of loss for a party resulting from the failure of a counterparty to meet its obligations arising from the terms and conditions of the contract under which the party became the creditor of this counterparty. The Bank is exposed to credit risk in particular in the case of credits granted, unallowed debits, guarantees provided, letters of credit issued, bonds purchased, derivatives and interbank deals.

The Bank continues to improve its analytical processes for quantifying the impact of climate change risk on overall portfolio credit risk. So far, the results have not indicated any impact on expected credit losses.

43.2.1 Credit Risk Management

Credit risk management is organised along the following approval processes:

Individually managed exposures represent exposures to entrepreneurs and SMEs where loans and lines of credit are approved based on an individual assessment of the borrower's creditworthiness in connection with the loan size.

Portfolio managed exposures include exposures to natural persons, natural persons acting as entrepreneurs, and SMEs where loans and lines

of credit are approved using an automated credit scoring process. Mortgages have a specific position as mortgages form a part of the retail exposures (usually portfolio managed) but a number of the processes and methods used fall within the category of individually managed exposures.

The exposures to counterparties on the financial markets include the exposures to financial institutions and governments. These exposures primarily arise as a part of liquidity management and market risk management. The credit risk of these exposures is managed through limits to countries and counterparties approved mainly based on external ratings. In 2024, the Bank started to clear selected OTC derivative contracts with central counterparties.

Individually managed exposures

(a) Internal Rating

The Bank uses internal statistical and expert judgement-based rating models, which use the most recent available qualitative and quantitative information, to estimate the probability that a commercial borrower will default in the following 12 months. The rating calculation is based on an assessment of financial, behavioural, quantitative and qualitative information about the customer's business. The rating models assign an obligor rating (OR) grade from zero to twenty-one to borrowers that are not in default. Borrowers in default are given the internal rating grade twenty-two (OR22). External ratings are also calibrated to the OR scale. The 23 ORs and their associated default probabilities representing the rating grade:

- OR 0 to 5: 0% to 0.07%;
- OR 6 to 10: 0.08% to 0.39%;
- OR 11 to 15: 0.59% to 3.03%;
- OR 16 to 21: 4.55% to 35.00%;
- OR 22: 100%.

For the clients with double entry book-keeping and yearly turnover above predefined threshold, the internal statistical rating model estimating level of credit risk based on customer's financials is extended with an expert judgement-based qualitative and ESG module. The qualitative module considers qualitative criteria such as evaluation of the company owner, management, market position, product, supplier/ customers chain, etc. ESG module considers the impact of environmental, social and governance factors to the credit risk. The outputs from these modules modify the rating derived from the internal statistical rating model.

For commercial real estate ("CRE") clients, the Bank uses an expert judgement-based model considering project information, sponsor track record, risk associated with the construction and the location of the project. The rating grades assigned by the model cover only a subset of the abovementioned OR scale.

In order to ensure methodological and factual accuracy, models are monitored on a regular basis. Internal rating is used inter alia for the definition of approval authorities and categorisation (see note 43.2.2).

(b) Underwriting

The approval process is based on an individual evaluation of a borrower and is executed at the Bank. Approval authorities are set on an individual basis and are determined by combining the level of exposure, the borrower's internal rating, maturity, product and collateral.

As part of the approval process, the Bank assesses the financial situation of the prospective borrower, the persons economically related to the borrower and the collateral being offered using internal and external data sources, including credit registers.

The implemented IT solutions support the process of SME credit approval and administration facilitating the preparation of credit applications, linking them with data warehouses, document storage and the subsequent production of contract documentation. The system enables access to financial analysis tools including internal ratings.

(c) Monitoring and Reporting

All SME clients are monitored both individually and on a portfolio basis.

Reports on the quality of the commercial portfolio are discussed by the Credit Committee (CRCO) each month.

Individually-managed exposures above a certain threshold are also subject to at least a yearly credit review, which follows the approval process similar to new exposures.

(d) Collection

The Bank manages the Bank's loans where recoverability of the exposure is not reasonably assured with the aim of achieving maximum recovery. The Bank engages affected borrowers with a view to recovering the Bank's exposure. This may involve taking legal action against the borrower, restructuring the loans, taking relevant legal steps to realise collateral, debt sale or representing the Bank in insolvency proceedings.

Portfolio managed exposures

(a) Scoring Instruments

When approving and monitoring portfolio-managed exposures, internal scoring models are used. These statistical models classify individual borrowers into categories of homogeneous exposures using socio-demographic and behavioural data as well as information from the credit bureau. The calculated score for the commercial portfolio managed exposures is, similarly to individually managed exposures, mapped to the OR scale. The calculated score for retail portfolio managed performing exposures is grouped into five credit rating (CR) grades with associated OR grades and bands of probabilities of default in the following 12 months as outlined below:

- CR1: OR 13 and better (1.3% and lower);
- CR2: OR 14–OR 15 (1.3% to 3.2%);
- CR3: OR 16–OR 17 (3.2% to 7.7%);
- CR4: OR 18–OR 19 (7.7% to 15.8%);
- CR5: OR 20–OR 22 (15.8% and greater).

In order to ensure methodological and factual accuracy, models are monitored on a regular basis.

(b) Underwriting

The approval process is based on the use of internally or externally developed scoring models and access to external data sources (in particular credit registers). Approval strategies are set by the Bank.

The Bank underwriters may approve individual exposures that do not pass the automatic approval process.

Mortgages are mostly approved based on an individual assessment of the prospective borrower supported by input from internally-developed scoring models with approval required from an authorised underwriter from the Bank.

(c) Monitoring and Reporting

The Bank regularly monitors segments of the portfolio managed exposures, which are reported monthly to the Credit Committee (CRCO).

(d) Collection

The Bank has a comprehensive collection process which includes an automated collection system. The Bank optimises its overall recovery capacity and performance by using external capabilities (collection agencies and law offices) as well as debt sales of non-performing receivables usually within 24 months after the default.

Within the collection process, the portfolio approach is taken for all Retail customers and Small Business customers in the early collections process and for all unsecured exposures in the pre-legal and legal collections process. The individual approach is taken for mortgages and other secured exposures in the pre-legal and legal process.

Counterparties in the Financial Market

(a) External Rating

The main tool for measuring the credit risk of countries and counterparties (financial institutions and governments) with respect to transactions in financial markets is the rating set by international rating agencies: Standard & Poor's, Moody's and Fitch. The Bank sets individual limits for individual countries and counterparties, for which it requires a minimum short-term rating of A-1/P-1/F1 (exceptions must be properly approved).

(b) Approval Process

The approval of limits is based on an individual assessment with approval required from the Chief Risk Officer (CRO) or an authorised approver from the Bank. The approval levels are determined individually and are based primarily on the combination of the limit, external rating, maturity and product. In selected cases, the prior approval of the Credit Committee (CRCO) is required.

(c) Monitoring and Reporting

All counterparties and countries with a determined limit are monitored individually. The subject of the monitoring is primarily the external rating. Remedial measures (in particular a decrease/cancellation of the limit, categorisation of receivables) are approved by an authorised approver from the Bank.

The Bank monitors compliance with limits. Any breach of limits is escalated to the Senior Manager Treasury and CRO. In addition, breaches over certain level are escalated also to the members of the Asset & Liability Committee (ALCO).

43.2.2 Categorisation of Exposures

The Bank assigns exposures to individual categories in compliance with CNB Decree No. 163/2014 Coll. The categorisation is used mainly for regulatory reporting and calculation of loan loss allowances. The categorisation is as follows:

- exposures without borrower default are classified as performing;
- exposures where the borrower has defaulted are classified as non-performing.

A default of a borrower is recognised if, given the borrower's financial and economic situation, full repayment of exposures toward such a borrower is unlikely. This definition is in line with the definition of default according to EBA guidelines on the application of the definition of default under Article 178 of Regulation (EU) No. 575/2013 (EBA/GL/2016/07). The Bank considers a borrower to be in default mainly if:

- the material part of principal, interest or fees of any borrower's exposure is more than 90 days past due,
- any material exposure was restructured or categorised as non-performing forborne in past 12 months due to a deterioration in the borrower's financial situation,
- the borrower's internal rating is OR 22,
- a competent court has issued a decision on settling the borrower's bankruptcy via a discharge from debts or reorganisation,
- a borrower is subject to bankruptcy or settlement proceedings.

43.2.3 Collateral Assessment

The Bank determines the nature and extent of collateral that is required either by individually assessing a prospective borrower's creditworthiness or as an integral part of the given credit product. The Bank considers the following types of collateral acceptable for mitigating the credit risk on a loan or line of credit:

- cash/deposits;
- securities;
- account receivables;
- bank guarantees;
- guarantee of a reliable third party;
- insurance;
- real estate properties; and
- movable assets (machinery, equipment, breeding stock).

For mortgages primarily real estate collateral is used, for commercial loans all types of collateral may be used. Retail consumer loans, credit cards and overdrafts are unsecured.

To determine the realisable value of a collateral, the Bank uses internal and external expert appraisals. Internal appraisals are processed by the AML & Collateral management department of the Risk Management Division, which is a department operating independently of the Bank's sales and underwriting departments. The ultimate realisable value of the collateral is then set by applying collateral acceptance ratios reflecting the Bank's ability to realise the collateral in case of default. Maximum values of collateral acceptance ratios are approved by the Credit Committee (CRCO).

43.2.4 Allowances Calculation

Allowances for credit losses are determined using an expected credit loss approach as required under IFRS 9.

The measurement of expected credit losses and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

To calculate allowances, the portfolio is divided into three Stages and POCI (Purchased or Originated as Credit Impaired). The portfolio is further segmented into commercial and retail exposures by product. POCI includes exposures originated as credit impaired. These represent modified financial assets where material concessions were granted to obligors in default. Exposures which do not qualify for POCI are assigned to Stage 1, Stage 2 or Stage 3. Non-performing exposures belong to Stage 3. Performing exposures are assigned to Stage 2 when a significant increase in credit risk (SICR) occurred compared to their origination. Exposures that are not assigned to Stage 3 or 2 belong to Stage 1.

The Bank considers mainly the following situations as SICR:

- customer's days past due are higher than 30; or
- qualitative criteria including behavioural risk indicators suggest deterioration in credit risk; or
- absolute remaining lifetime probability of default (PD) at reporting date is higher than the specified threshold and any of the following conditions is met:
  1. the relative change of the absolute and annualised remaining lifetime PD at reporting compared to origination is higher than the specified relative threshold;
  2. the absolute increase of the absolute remaining lifetime PD at reporting compared to origination is higher than the specified absolute threshold. The thresholds are set by the Bank.

The Bank estimates a 12-month expected credit loss (ECL) for Stage 1 exposures and lifetime expected credit loss for Stage 2, Stage 3 and POCI. The Bank also uses multiple macroeconomic forecasts for estimation of future losses; thus the future development of macroeconomic variables is reflected in risk parameters. The sensitivity of the ECL model is differentiated across the portfolio segments with a sufficient level of homogeneity in relation to the underlying credit risk. The main factors influencing the level of ECL are unemployment rate and rate of GDP growth. The Bank uses three macroeconomic scenarios derived from the base macroeconomic trajectory with assigned probabilities: optimistic (25%), base (50%) and adverse (25%).

The calculation of allowances is based on statistical models. These models are used for the calculation of the probability of default (PD), loss given default (LGD), exposure at default (EAD) and the cure rate (CR). Loan loss allowances for some non-performing commercial individually managed exposures are set individually based on expected discounted cash flows. In situations, where the statistical models used for the calculation of allowances do not sufficiently capture the forward-looking risks at the ECL level, management overlays are applied. Management overlays are described in detail below.

PD and CR calculation

PD and CR are calculated based on the transition matrices model. Transition matrices track migration between rating grades, defaulted and cured status. They provide an intuitive and comprehensive overview of portfolio movements across time. From these matrices through-the-cycle (TTC) matrices are created for each segment that are independent of the economy's position within the macroeconomic cycle. PIT (point-in-time) matrices for each segment and month are created by conditioning the TTC matrices with an adjustment for the current and expected state of the macroeconomy. PD and CR are then derived from PIT matrices.

LGD calculation

For the majority of exposures without collateral and for an unsecured part of the collateralised exposures, models reflecting historical recoveries discounted by the original effective interest rate are used to derive LGD parameters. LGD for the collateralised part of the exposure is based on forward -looking expectations regarding the future collateral value based on macroeconomic scenarios.

EAD calculation

The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by a contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

There is a provision created for undrawn loan commitments by using estimate of utilisation in case of default that determines the amount of loan drawn.

Impact of Macroeconomic Environment Deterioration on Allowance Calculation

To reflect the implications of the macroeconomic environment evolution, the Bank continuously monitored the economic outlooks of the CNB and the Ministry of Finance of the Czech Republic and based on these outlooks, macro-economic forecasts for the estimation of future losses from financial assets were formulated. The latest update of the forward-looking macroeconomic scenarios took place in August 2024.

In 2024, the macroeconomic situation related to an environment of high inflation and high interest rates has partially normalised relative to 2023. For this reason, the Bank continued to maintain, backtest and review the framework of management overlays to compensate for the lack of sensitivity of the IFRS 9 model to the high-interest rate environment. These reviews resulted in partial releases of the management overlay amounts reflecting the relative improvement of the macroeconomic environment.

In May 2024, the Bank decided to dissolve the management overlay in the amount of CZK 80 million addressing the increased level of expected credit losses associated with exposures secured by the COVID-19 guarantee expiring within 12 consequent months. The dissolution was motivated by the fact that the initial assumptions had not materialised.

Management overlay – Pool Managed Exposures

The purpose of this management overlay was to account for the impact of the high-interest rate and high-inflation environment on expected credit losses.

Throughout 2024, the Bank continuously monitored and updated the existing management overlay for the portfolio of performing mortgages, consumer loans and small business loans. These regular reviews included also backtest of overlay assumptions.

As a part of these reviews, an evaluation of application and activation conditions was performed. Application conditions describe a macroeconomic environment where a lack of IFRS 9 model sensitivity can be assumed due to the specificity of the environment of high inflation and high interest rates. Meeting these conditions is a pre-requisite to the application of the management overlay. Deterioration of the portfolio credit quality in association with the environment of high inflation and high interest rates is evaluated based on activation conditions. In case these conditions are met, a decrease in the overlay amount can be considered to offset the credit loss materialisation. Evaluation of application and activation conditions is discussed by the Credit Committee (CRCO) as a part of the regular quarterly report. In case of activation conditions violation or in case the activation conditions are met, the CRCO decides about the release plan of the overlay amount based on the evaluation of the current macroeconomic situation and the forward-looking outlook.

The amount of the management overlay was determined based on the identification of the exposures exposed to the potential credit loss materialisation in connection with the high-inflation and high-interest rates environment. The potentially vulnerable exposures were identified according to the available information about the income/revenue of clients accounting for increased costs associated with the high inflation and interest rate level. The amount of the management overlay was derived as the amount of loan loss allowances required to offset the assumed share of these potentially vulnerable exposures defaulting. The assumption of the default rate applied to potentially vulnerable balances was kept at 15%. Additionally, since the activation conditions indicating the materialisation of the credit risk in the commercial pool managed segment were triggered, the proportionate amount of the management overlay was deducted from the final management overlay amount. As a result, the management overlay amount decreased to CZK 338 million as at 31 December 2024 compared to CZK 490 million as at 31 December 2023.

The sensitivity of the management overlay amount to the change of the assumed default rate by 1% (increase from 15% to 16%) stood at CZK 52 million as at 31 December 2024.

Management overlay – Commercial Individually Managed Exposures

The purpose of this management overlay was to account for the risks associated with the impact of the high-interest rate environment on expected credit losses.

Throughout 2024, the Bank continuously monitored and updated the existing management overlay for the portfolio of performing commercial individually managed exposures. These regular reviews included also backtest of overlay assumptions.

As a part of these reviews, an evaluation of application and activation conditions was performed. Application conditions describe a macroeconomic environment where a lack of IFRS 9 model sensitivity can be assumed due to the specificity of the environment of high inflation and high interest rates. Meeting these conditions is a pre-requisite to the application of the management overlay. Deterioration of the portfolio credit quality in association with the environment of high inflation and high interest rates is evaluated based on activation conditions. In case these conditions are met, a decrease in the overlay amount can be considered to offset the credit loss materialisation. Evaluation of application and activation conditions is discussed by the Credit Committee (CRCO) as a part of the regular quarterly report. In case of activation conditions violation or in case the activation conditions are met, the CRCO decides about the release plan of the overlay amount based on the evaluation of the current macroeconomic situation and the forward-looking outlook.

The amount of the management overlay was determined based on the identification of the exposures exposed to the potential credit loss materialisation in connection with the high-interest rate environment. The potentially vulnerable exposures were identified assuming that clients with high levels of a debt/EBITDA ratio are more prone to the high-interest rate environment if their CZK loans are with a floating rate or with recent or upcoming re-fixation to a much higher interest rate. The amount of the management overlay was derived as the amount of loan loss allowances required to offset the assumed share of these potentially vulnerable exposures defaulting. The assumption of the default rate applied to potentially vulnerable balances was kept at 15%. Additionally, since the activation conditions indicating the materialisation of the credit risk in the commercial individually managed segment were triggered, the proportionate amount of the management overlay was deducted from the final management overlay amount. As a result, the management overlay amount decreased to CZK 54 million as at 31 December 2024 compared to CZK 79 million as at 31 December 2023.

The sensitivity of the management overlay amount to the change of the assumed default rate by 1% (increase from 15% to 16%) stood at CZK 4 million as at 31 December 2024.

Write-off principles

Write-off is applied when one of the below criteria is met:

- Zero or negligible cash flow is expected to be received;
- Collection process has been cancelled and as a consequence the Bank does not expect any cash flow (e.g. collection cost would be higher than expected recovery);
- Finished insolvency procedure;
- Inheritance proceedings ended without a legal successor (where the receivable was part of the inheritance);
- Fraudulent loan;
- Stopped execution of the receivable;
- Liquidation of the debtor (legal person).

Rebuttable presumption “zero or negligible cash flow is expected to be received” is driven by defined term after default, where the term is defined separately for each product.

Presumption may be rebutted e.g. if recovery is expected to be received or there is still collateral that may be sold and its value is not zero or negligible.

The following table shows reconciliations from the opening to the closing balance of loans and receivables to customers at gross carrying amount:

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2024	**148,661**	**17,561**	**2,581**	**61**	**168,864**
Originations	21,919	1,210	31	-	23,160
Transfer to (out) Stage 1	8,449	(8,365)	(84)	-	-
Transfer to (out) Stage 2	(13,002)	13,599	(597)	-	-
Transfer to (out) Stage 3	(762)	(1,127)	1,889	-	-
Repayments and other movements	(13,572)	(3,895)	(888)	(3)	(18,358)
Write-offs	-	-	(707)	-	(707)
Balance 31 December 2024	**151,693**	**18,983**	**2,225**	**58**	**172,959**
Commercial					
Balance 1 January 2024	**76,868**	**3,634**	**786**	**-**	**81,288**
Originations	20,826	197	93	-	21,116
Transfer to (out) Stage 1	1,256	(1,237)	(19)	-	-
Transfer to (out) Stage 2	(2,588)	2,676	(88)	-	-
Transfer to (out) Stage 3	(349)	(287)	636	-	-
Repayments and other movements	(9,803)	(1,403)	(358)	-	(11,564)
Write-offs	-	-	(187)	-	(187)
Balance 31 December 2024	**86,210**	**3,580**	**863**	**-**	**90,653**
Total Balance 31 December 2024	**237,903**	**22,563**	**3,088**	**58**	**263,612**

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2023	**158,858**	**13,996**	**2,602**	**72**	**175,528**
Originations	13,359	908	30	-	14,297
Transfer to (out) Stage 1	7,274	(7,172)	(102)	-	-
Transfer to (out) Stage 2	(12,887)	13,442	(555)	-	-
Transfer to (out) Stage 3	(924)	(1,084)	2,008	-	-
Repayments and other movements	(17,019)	(2,529)	(881)	(10)	(20,439)
Write-offs	-	-	(521)	(1)	(522)
Balance 31 December 2023	**148,661**	**17,561**	**2,581**	**61**	**168,864**
Commercial					
Balance 1 January 2023	**76,342**	**2,700**	**734**	**-**	**79,776**
Originations	19,268	236	78	-	19,582
Transfer to (out) Stage 1	996	(975)	(21)	-	-
Transfer to (out) Stage 2	(4,165)	4,234	(69)	-	-
Transfer to (out) Stage 3	(283)	(343)	626	-	-
Repayments and other movements	(15,290)	(2,218)	(434)	-	(17,942)
Write-offs	-	-	(128)	-	(128)
Balance 31 December 2023	**76,868**	**3,634**	**786**	**-**	**81,288**
Total Balance 31 December 2023	**225,529**	**21,195**	**3,367**	**61**	**250,152**

The following table shows reconciliations from the opening to the closing balance of allowances to loans and receivables to customers:

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2024	**468**	**1,247**	**1,199**	**(3)**	**2,911**
Originations	325	109	16	-	450
Derecognition and maturities	(100)	(195)	(197)	1	(491)
Transfer to (out) Stage 1	395	(368)	(27)	-	-
Transfer to (out) Stage 2	(123)	371	(248)	-	-
Transfer to (out) Stage 3	(14)	(331)	345	-	-
Remeasurements, changes in models and methods	(511)	346	495	(2)	328
Use of allowances (write offs)	-	-	(689)	-	(689)
out of which debt sales	-	-	(558)	-	(558)
Balance 31 December 2024	**440**	**1,179**	**894**	**(4)**	**2,509**
Commercial					
Balance 1 January 2024	**526**	**375**	**459**	**-**	**1,360**
Originations	427	31	30	-	488
Derecognition and maturities	(47)	(24)	(73)	-	(144)
Transfer to (out) Stage 1	145	(132)	(13)	-	-
Transfer to (out) Stage 2	(34)	81	(47)	-	-
Transfer to (out) Stage 3	(9)	(109)	118	-	-
Remeasurements, changes in models and methods	(572)	150	71	-	(351)
Use of allowances (write offs)	-	-	(185)	-	(185)
out of which debt sales	-	-	(149)	-	(149)
Foreign exchange adjustments	2	-	-	-	2
Balance 31 December 2024	**438**	**372**	**360**	**-**	**1,170**
Total Balance 31 December 2024[1)]	**878**	**1,551**	**1,254**	**(4)**	**3,679**

1) The Bank did not recognise any allowances to Loans and receivables to banks during 2024 and 2023, as such exposures are short-term only and impact is immaterial.

CZK m	Stage 1	Stage 2	Stage 3	POCI	Total
Retail					
Balance 1 January 2023	**706**	**1,281**	**1,355**	**-**	**3,342**
Originations	224	89	14	-	327
Derecognition and maturities	(107)	(134)	(292)	-	(533)
Transfer to (out) Stage 1	589	(549)	(40)	-	-
Transfer to (out) Stage 2	(134)	397	(263)	-	-
Transfer to (out) Stage 3	(18)	(351)	369	-	-
Remeasurements, changes in models and methods	(792)	514	565	(2)	285
Use of allowances (write offs)	-	-	(509)	(1)	(510)
out of which debt sales	-	-	(419)	(1)	(420)
Balance 31 December 2023	**468**	**1,247**	**1,199**	**(3)**	**2,911**
Commercial					
Balance 1 January 2023	**584**	**301**	**435**	**-**	**1,320**
Originations	364	41	27	-	432
Derecognition and maturities	(30)	(33)	(120)	-	(183)
Transfer to (out) Stage 1	140	(126)	(14)	-	-
Transfer to (out) Stage 2	(60)	99	(39)	-	-
Transfer to (out) Stage 3	(9)	(124)	133	-	-
Remeasurements, changes in models and methods	(468)	217	164	-	(87)
Use of allowances (write offs)	-	-	(127)	-	(127)
out of which debt sales	-	-	(103)	-	(103)
Foreign exchange adjustments	5	-	-	-	5
Balance 31 December 2023	**526**	**375**	**459**	**-**	**1,360**
Total Balance 31 December 2023[1)]	**994**	**1,622**	**1,658**	**(3)**	**4,271**

1) The Bank did not recognise any allowances to Loans and receivables to banks during 2024 and 2023, as such exposures are short-term only and impact is immaterial.

There have been no material movements in allowances to other financial assets (such as debt securities at amortised cost or operating receivables) for the years 2024 and 2023 than those disclosed above.

43.2.5 Credit Concentration Risk

As part of managing credit risk, the Bank regularly monitors and actively manages the credit concentration risk of the Bank through the limits to countries, counterparties, collateral providers and economic sectors. Regional concentration is not relevant as most income is generated within the territory of the Czech Republic.

The main collateral providers (via guarantees) are Národní rozvojová banka, a.s., the European Investment Fund and Exportní garanční a pojišťovací společnost, a.s.

(a) The exposures to top 10 groups of customers

CZK m	31 Dec 2024	31 Dec 2023
Top 10 exposures[1)]	15,867	13,946

1) Exposure includes gross loans and receivables, unused commitments including credit lines, guarantees and letters of credit. Exposures to subsidiaries of the Bank are not included.

(b) The structure of the Bank's commercial credit portfolio by economic sectors

	31 Dec 2024		31 Dec 2023	
Sector	CZK m[1)]	%	CZK m[1)]	%
1 Agriculture	20,702	26%	20,222	29%
2 Mining	15	0%	12	0%
3 Food industry	1,284	2%	1,085	2%
4 Textile industry	252	0%	191	0%
5 Wood processing industry	538	1%	461	1%
6 Chemical industry	1,017	1%	965	1%
7 Metal processing industry	3,162	4%	2,763	4%
8 Electric and optical equipment	122	0%	159	0%
9 Manufacturing of equipment, including transportation	1,322	2%	1,106	2%
10 Construction industry and construction modifications	5,916	7%	4,818	7%
11 Wholesale	4,801	6%	3,986	6%
12 Retail sale	3,131	4%	3,016	4%
13 Transport and telecommunication	1,585	2%	1,406	2%
14 Finance	1,443	2%	702	1%
15 Services	15,105	19%	11,933	17%
16 Public sector	298	0%	246	0%
17 Health industry	869	1%	827	1%
18 Power sector	3,397	4%	3,394	5%
19 Real estate activities	14,046	18%	12,513	18%
Total	**79,005**	**100%**	**69,805**	**100%**

1) The amounts represent the relevant gross loans and receivables to customers excluding the exposures to Bank's subsidiaries. Exposures of unallowed debits which are fully provided by allowances are excluded.

(c) Maximum credit risk exposure

31 Dec 2024 CZK m	Statement of financial position	Off-balance sheet	Total credit risk exposure	Available collateral[1)]
Cash and cash balances at the central bank	**13,421**	**-**	**13,421**	**-**
Derivative financial instruments	**596**	**-**	**596**	**621**
Investment securities measured at FVTPL	**66**	**-**	**66**	**-**
Equity investments	25	-	25	-
Debt investments	41	-	41	-
Investment securities measured at FVTOCI	**1**	**-**	**1**	**-**
Equity investments	1	-	1	-
Investment securities measured at amortised cost	**113,110**	**-**	**113,110**	**-**
Government and corporate bonds	113,110	-	113,110	-
Hedging derivatives with positive fair values	**2,314**	**-**	**2,314**	**-**
Interest rate swaps	2,314	-	2,314	-
Change in fair value of items hedged on portfolio basis	**200**	**-**	**200**	**-**
Loans and receivables to banks	**78,041**	**-**	**78,041**	**72,714**
Current accounts at banks	385	-	385	-
Overnight deposits	937	-	937	-
Receivables arising from reverse repurchase agreements	74,203	-	74,203	72,714
Cash collaterals granted	2,513	-	2,513	-
Other	3	-	3	-
Loans and receivables to customers	**259,933**	**24,986**	**284,919**	**168,731**
Consumer authorised overdrafts and credit cards	2,291	4,193	6,484	-
Consumer loans	37,549	1	37,550	-
Mortgages	130,610	2,606	133,216	125,887
Commercial loans	89,483	18,186	107,669	42,844
Issued guarantees and credit limits on guarantees	**-**	**2,573**	**2,573**	**374**
Issued letter of credit	**-**	**8**	**8**	**-**
Remaining assets	**11,280**	**-**	**11,280**	**-**

1) Available collateral represents realisable value of collateral relevant for each loan exposure. The realisable value of collateral is capped up to the Total exposure presented in the statement of financial position on a loan- by-loan basis for the purpose of the presentation in these breakdowns.

31 Dec 2023 CZK m	Statement of financial position	Off-balance sheet	Total credit risk exposure	Available collateral[1)]
Cash and cash balances at the central bank	**10,534**	**-**	**10,534**	**-**
Derivative financial instruments	**544**	**-**	**544**	**829**
Investment securities measured at FVTPL	**55**	**-**	**55**	**-**
Equity investments	25	-	25	-
Debt investments	30	-	30	-
Investment securities measured at FVTOCI	**1**	**-**	**1**	**-**
Equity investments	1	-	1	-
Investment securities measured at amortised cost	**100,769**	**-**	**100,769**	**-**
Government and corporate bonds	100,769	-	100,769	-
Hedging derivatives with positive fair values	**2,701**	**-**	**2,701**	**-**
Interest rate swaps	2,701	-	2,701	-
Change in fair value of items hedged on portfolio basis	**122**	**-**	**122**	**-**
Loans and receivables to banks	**69,232**	**-**	**69,232**	**65,030**
Current accounts at banks	260	-	260	-
Overnight deposits	392	-	392	-
Receivables arising from reverse repurchase agreements	66,340	-	66,340	65,030
Cash collaterals granted	2,238	-	2,238	-
Other	2	-	2	-
Loans and receivables to customers	**245,881**	**24,102**	**269,983**	**164,117**
Consumer authorised overdrafts and credit cards	2,270	4,223	6,493	-
Consumer loans	35,737	41	35,778	-
Mortgages	127,946	2,249	130,195	126,274
Commercial loans	79,928	17,589	97,517	37,843
Issued guarantees and credit limits on guarantees	**-**	**2,236**	**2,236**	**415**
Issued letter of credit	**-**	**5**	**5**	**-**
Remaining assets	**11,046**	**-**	**11,046**	**-**

1) Available collateral represents realisable value of collateral relevant for each loan exposure. The realisable value of collateral is capped up to the Total exposure presented in the statement of financial position on a loan- by-loan basis for the purpose of the presentation in these breakdowns.

(d) Quantitative information about available collateral for impaired financial assets (Stage 3 and non-performing POCI)

	2024			2023		
CZK m	Retail	Commercial	Total	Retail	Commercial	Total
LTV[1)] lower than 50%	270	34	304	278	34	312
LTV[1)] 51–70%	345	68	413	344	36	380
LTV[1)] more than 70%	364	245	609	413	243	656
Total	**979**	**347**	**1,326**	**1,035**	**313**	**1,348**

1) The LTV (Loan to Value) represents ratio of gross carrying value of loan to fair value of collateral available at the reporting date.

43.2.6 Credit Portfolio and its Quality

(a) Break down of allowances and provisions according to loan type and stages

The following table comprises information about allowances to Loans and receivables to customers and provisions to off-balance sheet items according to type of loan/off-balance sheet position and related stage:

31 Dec 2024	Gross carrying amount					Allowance/Provision					
CZK m	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Net book value
Retail loans	**151,693**	**18,983**	**2,225**	**58**	**172,959**	**(440)**	**(1,179)**	**(894)**	**4**	**(2,509)**	**170,450**
Consumer Loans	31,087	7,057	1,180	-	39,324	(292)	(861)	(622)	-	(1,775)	37,549
Mortgages	118,624	11,525	972	58	131,179	(86)	(261)	(226)	4	(569)	130,610
Credit Cards & Overdrafts	1,980	401	68	-	2,449	(60)	(57)	(41)	-	(158)	2,291
Other	2	-	5	-	7	(2)	-	(5)	-	(7)	-
Commercial loans	**86,210**	**3,580**	**863**	**-**	**90,653**	**(438)**	**(372)**	**(360)**	**-**	**(1,170)**	**89,483**
Investment Loans	55,602	1,071	185	-	56,858	(141)	(82)	(58)	-	(281)	56,577
Working Capital	16,016	821	74	-	16,911	(80)	(92)	(30)	-	(202)	16,709
Unsecured Instalment Loans and Overdraft	14,591	1,688	600	-	16,879	(216)	(198)	(268)	-	(682)	16,197
Other	1	-	4	-	5	(1)	-	(4)	-	(5)	-
Total loans	**237,903**	**22,563**	**3,088**	**58**	**263,612**	**(878)**	**(1,551)**	**(1,254)**	**4**	**(3,679)**	**259,933**
Debt instruments measured at amortised costs	113,131	-	-	-	113,131	(21)	-	-	-	(21)	113,110
Total loans and securities	**351,034**	**22,563**	**3,088**	**58**	**376,743**	**(899)**	**(1,551)**	**(1,254)**	**4**	**(3,700)**	**373,043**
Financial guarantees	2,328	252	1	-	2,581	(10)	(3)	-	-	(13)	2,568
Loan commitments - Retail	6,513	271	16	-	6,800	(36)	(10)	-	-	(46)	6,754
Loan commitments - Commercial	17,727	449	10	-	18,186	(38)	(7)	-	-	(45)	18,141
Total off-balance sheet items	**26,568**	**972**	**27**	**-**	**27,567**	**(84)**	**(20)**	**-**	**-**	**(104)**	**27,463**

Previously written-off receivables amount to CZK 151 million as at 31 December 2024 (31 December 2023: CZK 153 million).

31 Dec 2023	Gross carrying amount					Allowance/Provision					
CZK m	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Net book value
Retail loans	**148,661**	**17,561**	**2,581**	**61**	**168,864**	**(468)**	**(1,247)**	**(1,199)**	**3**	**(2,911)**	**165,953**
Consumer Loans	29,218	7,094	1,470	-	37,782	(244)	(878)	(923)	-	(2,045)	35,737
Mortgages	117,460	10,059	1,024	61	128,604	(146)	(300)	(215)	3	(658)	127,946
Credit Cards & Overdrafts	1,981	408	81	-	2,470	(76)	(69)	(55)	-	(200)	2,270
Other	2	-	6	-	8	(2)	-	(6)	-	(8)	-
Commercial loans	**76,868**	**3,634**	**786**	**-**	**81,288**	**(526)**	**(375)**	**(459)**	**-**	**(1,360)**	**79,928**
Investment Loans	49,915	1,117	156	-	51,188	(149)	(68)	(64)	-	(281)	50,907
Working Capital	14,669	960	86	-	15,715	(104)	(48)	(41)	-	(193)	15,522
Unsecured Instalment Loans and Overdraft	12,284	1,557	539	-	14,380	(273)	(259)	(349)	-	(881)	13,499
Other	-	-	5	-	5	-	-	(5)	-	(5)	-
Total loans	**225,529**	**21,195**	**3,367**	**61**	**250,152**	**(994)**	**(1,622)**	**(1,658)**	**3**	**(4,271)**	**245,881**
Debt instruments measured at amortised costs	100,791	-	-	-	100,791	(22)	-	-	-	(22)	100,769
Total loans and securities	**326,320**	**21,195**	**3,367**	**61**	**350,943**	**(1,016)**	**(1,622)**	**(1,658)**	**3**	**(4,293)**	**346,650**
Financial guarantees	1,593	647	1	-	2,241	(8)	(6)	-	-	(14)	2,227
Loan commitments - Retail	6,179	284	49	-	6,512	(41)	(12)	-	-	(53)	6,459
Loan commitments - Commercial	17,242	339	8	-	17,589	(40)	(8)	-	-	(48)	17,541
Total off-balance sheet items	**25,014**	**1,270**	**58**	**-**	**26,342**	**(89)**	**(26)**	**-**	**-**	**(115)**	**26,227**

(b) Loans and receivables to banks and customers according to the categorisation according to internal rating grade and stages

The following table sets out information about credit quality of financial assets measured at amortised cost classified according to the internal credit rating grade and stages:

	31 Dec 2024					31 Dec 2023				
CZK m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Loans and receivables to customers at amortised costs										
CR 1	214,519	11,616	-	32	226,167	207,532	9,965	-	30	217,527
CR 2	12,926	3,444	-	12	16,382	10,222	3,196	-	6	13,424
CR 3	9,903	2,859	-	1	12,763	7,148	3,287	-	4	10,439
CR 4	372	2,721	-	3	3,096	402	2,615	-	5	3,022
CR 5	180	1,923	-	1	2,104	223	2,132	-	1	2,356
Not graded	3	-	-	-	3	2	-	-	-	2
NPL	-	-	3,088	9	3,097	-	-	3,367	15	3,382
Gross carrying amount	**237,903**	**22,563**	**3,088**	**58**	**263,612**	**225,529**	**21,195**	**3,367**	**61**	**250,152**
Allowance	(878)	(1,551)	(1,254)	4	(3,679)	(994)	(1,622)	(1,658)	3	(4,271)
Net book value	**237,025**	**21,012**	**1,834**	**62**	**259,933**	**224,535**	**19,573**	**1,709**	**64**	**245,881**
Loans and receivables to banks at amortised cost without rating[1)]										
Gross carrying amount	**78,041**	**-**	**-**	**-**	**78,041**	**69,232**	**-**	**-**	**-**	**69,232**
Allowance	-	-	-	-	-	-	-	-	-	-
Net book value	**78,041**	**-**	**-**	**-**	**78,041**	**69,232**	**-**	**-**	**-**	**69,232**
Debt investment securities at amortised cost										
CR 1	113,131	-	-	-	113,131	100,791	-	-	-	100,791
Gross carrying amount	**113,131**	**-**	**-**	**-**	**113,131**	**100,791**	**-**	**-**	**-**	**100,791**
Allowance	(21)	-	-	-	(21)	(22)	-	-	-	(22)
Net book value	**113,110**	**-**	**-**	**-**	**113,110**	**100,769**	**-**	**-**	**-**	**100,769**
Other receivables from operating activities without rating[1)]										
Gross carrying amount	**104**	**35**	**12**	**-**	**151**	**124**	**4**	**17**	**-**	**145**
Allowance	-	-	(12)	-	(12)	-	-	(17)	-	(17)
Net book value	**104**	**35**	**-**	**-**	**139**	**124**	**4**	**-**	**-**	**128**

	31 Dec 2024					31 Dec 2023				
CZK m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Loan commitments										
CR 1	22,301	317	-	-	22,618	21,910	292	-	-	22,202
CR 2	1,107	96	-	-	1,203	973	88	-	-	1,061
CR 3	826	222	-	-	1,048	532	98	-	-	630
CR 4	6	77	-	-	83	2	137	-	-	139
CR 5	-	8	-	-	8	4	8	-	-	12
Not graded	-	-	-	-	-	-	-	-	-	-
NPL	-	-	26	-	26	-	-	57	-	57
Gross carrying amount	**24,240**	**720**	**26**	**-**	**24,986**	**23,421**	**623**	**57**	**-**	**24,101**
Provision	(74)	(17)	-	-	(91)	(81)	(20)	-	-	(101)
Net book value	**24,166**	**703**	**26**	**-**	**24,895**	**23,340**	**603**	**57**	**-**	**24,000**
Financial guarantee contracts										
CR 1	2,322	228	-	-	2,550	1,592	628	-	-	2,220
CR 2	5	11	-	-	16	1	11	-	-	12
CR 3	1	7	-	-	8	-	4	-	-	4
CR 4	-	6	-	-	6	-	4	-	-	4
CR 5	-	-	-	-	-	-	-	-	-	-
NPL	-	-	1	-	1	-	-	1	-	1
Gross carrying amount	**2,328**	**252**	**1**	**-**	**2,581**	**1,593**	**647**	**1**	**-**	**2,241**
Provision	(10)	(3)	-	-	(13)	(8)	(6)	-	-	(14)
Net book value	**2,318**	**249**	**1**	**-**	**2,568**	**1,585**	**641**	**1**	**-**	**2,227**

1) Loans and receivables to banks and other receivables from operating activities are not subject to internal grading system. Other receivables from operating activities do not include receivables from subsidiaries that are immaterial.

43.2.7 Modified Financial assets

The following table provides information about financial assets with a loss allowance at an amount equal to full lifetime expected credit losses that were modified during the accounting period:

CZK m	2024	2023
Financial assets modified during the period		
Amortised cost before modification	589	337
Net modification gain/loss	(3)	(1)
Financial assets modified since initial recognition		
Gross carrying amount at 31 Dec of financial assets for which loss allowance has changed to 12-month measurement during the period	135	60

The modification in the form of the forbearance is reflected in the categorisation of receivables in accordance with the exposures categorisation rules (see note 43.2.2).

Forborne Receivables

Forborne receivables are receivables for which the Bank provided the debtor with relief as it assessed that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the debtor's financial position, the Bank granted it relief that the Bank would not otherwise have granted. Reliefs primarily include reworking the repayment plan, a decrease in the interest rate, a waiver of default interest, a deferral of principal or accrued interest repayments. Forborne receivables do not include receivables arising from the roll-over of a short-term loan for current assets if the debtor met all of its payment and non-payment obligations arising from the loan contract.

The Bank applies the following general principles for forbearance:

- the customer lost the ability to repay the loan according to the original loan contract;
- the customer demonstrates a willingness and ability to pay his/her debts;
- specific product/customer criteria must be met.

Forbearance measures provided to clients take a form of modification of the existing contract or origination of a new loan contract, where the customer´s original credit is, by entering into this new contract, repaid and closed. In this case, a new (restructured) loan with different monthly instalments, interest rate and maturity is then opened. According to the rules for categorisation of exposures, the new or modified loan is treated as non-performing at least 12 months after restructuring.

Forborne classification is assigned also during the 24 month probation period, which applies from the moment when the client was upgraded to the performing status.

(a) All gross loans and receivables to customers with forbearance

31 Dec 2024 CZK m	Mortgage loans	Consumer loans	Commercial loans	Total
Forborne receivables	697	683	196	1,576
Total	**697**	**683**	**196**	**1,576**

31 Dec 2023 CZK m	Mortgage loans	Consumer loans	Commercial loans	Total
Forborne receivables	1,024	1,142	264	2,430
Total	**1,024**	**1,142**	**264**	**2,430**

(b) Impaired loans out of all gross loans and receivables to customers with forbearance

31 Dec 2024 CZK m	Mortgage loans	Consumer loans	Commercial loans	Total
Forborne receivables	348	419	144	911
Total	**348**	**419**	**144**	**911**

31 Dec 2023 CZK m	Mortgage loans	Consumer loans	Commercial loans	Total
Forborne receivables	459	540	117	1,116
Total	**459**	**540**	**117**	**1,116**

(c) Loans and receivables to customers forborne within the reporting year

2024	Mortgage loans	Consumer loans	Commercial loans	Total
Number of incrementally forborne receivables within the reporting year	94	1,427	333	1,854
Balance of the incrementally forborne gross receivables within the reporting year measured at the end of the reporting year (CZK m)	215	293	99	607

2023	Mortgage loans	Consumer loans	Commercial loans	Total
Number of incrementally forborne receivables within the reporting year	149	1,620	246	2,015
Balance of the incrementally forborne gross receivables within the reporting year measured at the end of the reporting year (CZK m)	288	333	65	686

43.3 INTEREST RATE RISK

Interest rate risk is the risk of a loss arising from changes in interest rates on financial markets. The Bank is exposed to interest rate risk as interest-bearing assets and liabilities have different maturity periods or interest rate repricing periods.

The Bank strives to minimise its interest rate risk by setting limits and keeping positions within these limits. The interest rate risk management activities are aimed at reducing the risk of losses.

Only certain client products (FX swap, FX forward, FX spot) of the Bank are included in the Trading book; all other positions are included in the Banking book.

The Bank's interest rate risk for the Trading and Banking book is managed separately. The interest rate risk of the Trading book is managed by the requirement to close each FX swap and FX forward transaction on a back-to-back basis. To monitor and measure the interest rate risk of the Banking book, a model of interest rate sensitivity is used which serves to determine the sensitivity of the Bank to changes in the market interest rates. The model is based on the inclusion of interest-sensitive assets and liabilities into relevant time bands. The Bank prefers to use behavioural features of cash flows rather than those that are purely contractual. All behavioural assumptions are approved by the ALCO. The model works with 1-month time bands up to 240 months.

The Bank carries out stress testing of the Banking book positions in all currencies that account for more than 5% of the Group's assets or liabilities (both on an individual and consolidated basis) based on stress scenarios for management of interest rate risk arising from non-trading activities in line with the relevant European Banking Authority Guideline EBA/GL/2018/02. As at 31 December 2024, only the portfolios denominated in the Czech Koruna and Euro exceeded a 5% share of the Group's assets/liabilities. The set of limits is used to manage and monitor the impacts of all stress scenarios stipulated in the Guideline. The results of stress testing are presented to ALCO on a monthly basis. To manage the discrepancy between the interest sensitivity of assets and liabilities, interest rate derivatives are used in line with the interest rate hedging strategy for hedge accounting approved by ALCO.

The tables below show the sensitivity of the Bank to changes in interest rates.

CZK

% change in annual net interest income[1)]	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.89%	1.84%
Impact of an interest rate movement -200 basis points	0.14%	(1.20)%

1) The regulatory calculation of net interest income was changed in 2024, where the calculated impact on net interest income is measured against Tier 1 capital instead of actual net interest income. For the purpose of comparability, the previous period has been adjusted.

CZK

Change in economic value of equity as a % of capital	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.50%	0.94%
Impact of an interest rate movement -200 basis points	0.55%	1.39%

EUR

% change in annual net interest income[1)]	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.21%	(0.17)%
Impact of an interest rate movement -200 basis points	(0.21)%	0.17%

1) The regulatory calculation of net interest income was changed in 2024, where the calculated impact on net interest income is measured against Tier 1 capital instead of actual net interest income. For the purpose of comparability, the previous period has been adjusted.

EUR

Change in economic value of equity as a % of capital	31 Dec 2024	31 Dec 2023
Impact of an interest rate movement +200 basis points	0.63%	(0.43)%
Impact of an interest rate movement -200 basis points	(0.67)%	0.49%

The percentage change in annual net interest income shows the impact of interest rate movements on net interest income on a 12-month horizon. The change in the economic value of equity shows the impact of interest rate movements on the difference between the present value of assets and liabilities (i.e. the economic value of equity), so this metric works with a long-term horizon. Given the mentioned differences between the two metrics, the two kinds of impact can have different signs and follow different trends.

The below table summarises the Bank's exposure to interest rate risk. Balances are allocated to the buckets based on the following parameters: for assets, the next repricing date or principal payment dates, whichever occurs earlier; for non-maturity deposits, the expected maturity/repricing behaviour; and for term deposits, the maturity date.

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	13,421	-	-	-	-	-	13,421
Derivative financial instruments with positive fair values	73	9	17	106	391	-	596
Hedging derivatives with positive fair values	-	6	67	855	1,386	-	2,314
Change in fair value of items hedged on portfolio basis	1	(1)	59	129	12	-	200
Investment securities	-	357	3,937	34,426	74,390	67	113,177
Loans and receivables to banks	75,525	-	-	-	-	2,516	78,041
Loans and receivables to customers	29,545	14,314	52,301	152,351	11,422	-	259,933
Remaining assets	155	-	710	12	3	10,400	11,280
Total assets	**118,720**	**14,685**	**57,091**	**187,879**	**87,604**	**12,983**	**478,962**
Due to banks	1,077	-	-	2,566	-	405	4,048
Due to customers	144,842	46,974	56,776	115,298	39,569	215	403,674
Derivative financial instruments with negative fair values	43	8	15	85	381	-	532
Hedging derivatives with negative fair values	51	92	274	2,195	1,647	-	4,259
Change in fair value of items hedged on portfolio basis	-	-	-	78	-	-	78
Issued bonds	-	1,703	2,868	15,925	500	-	20,996
Subordinated liabilities	2,683	2,024	-	2,915	-	-	7,622
Remaining liabilities	2,703	16	255	964	107	725	4,770
Total liabilities	**151,399**	**50,817**	**60,188**	**140,026**	**42,204**	**1,345**	**445,979**
Net balance sheet interest rate exposure	**(32,679)**	**(36,132)**	**(3,097)**	**47,853**	**45,400**	**11,638**	**32,983**
Off-balance sheet assets	14,516	2,843	2,707	4,717	204	-	24,987
Off-balance sheet liabilities	-	-	-	-	-	-	-
Interest rate swaps assets[1)]	23,573	104,154	7,238	12,885	4,160	-	152,010
Interest rate swaps liabilities[1)]	4,673	11,605	15,285	71,827	48,620	-	152,010
Net off-balance sheet interest rate exposure	**33,416**	**95,392**	**(5,340)**	**(54,225)**	**(44,256)**	**-**	**24,987**
Total net interest rate exposure	**737**	**59,260**	**(8,437)**	**(6,372)**	**1,144**	**11,638**	**57,970**

1) In case of interest rate swaps, the notional amounts are used instead of accounting balances.

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	10,534	-	-	-	-	-	10,534
Derivative financial instruments with positive fair values	2	4	33	125	380	-	544
Hedging derivatives with positive fair values	8	14	144	995	1,540	-	2,701
Change in fair value of items hedged on portfolio basis	(2)	(13)	(66)	191	12	-	122
Investment securities	-	249	1,417	30,201	68,902	56	100,825
Loans and receivables to banks	66,992	-	-	-	-	2,240	69,232
Loans and receivables to customers	29,952	12,029	45,221	145,541	13,138	-	245,881
Remaining assets	126	-	579	4	3	10,334	11,046
Total assets	**107,612**	**12,283**	**47,328**	**177,057**	**83,975**	**12,630**	**440,885**
Due to banks	2,357	-	2,531	-	-	563	5,451
Due to customers	146,764	17,765	65,771	99,738	41,266	270	371,574
Derivative financial instruments with negative fair values	14	3	31	106	369	-	523
Hedging derivatives with negative fair values	3	2	128	2,214	2,201	-	4,548
Change in fair value of items hedged on portfolio basis	(2)	(7)	(31)	103	-	-	63
Issued bonds	-	697	2,631	10,466	500	-	14,294
Subordinated liabilities	92	-	18	7,494	-	-	7,604
Remaining liabilities	1,951	13	216	920	301	703	4,104
Total liabilities	**151,179**	**18,473**	**71,295**	**121,041**	**44,637**	**1,536**	**408,161**
Net balance sheet interest rate exposure	**(43,567)**	**(6,190)**	**(23,967)**	**56,016**	**39,338**	**11,094**	**32,724**
Off-balance sheet assets	14,065	2,801	2,223	4,021	240	-	23,350
Off-balance sheet liabilities	-	-	-	-	-	-	-
Interest rate swaps assets[1)]	15,670	85,827	11,020	12,819	2,900	-	128,236
Interest rate swaps liabilities[1)]	6,868	9,696	11,880	55,281	44,511	-	128,236
Net off-balance sheet interest rate exposure	**22,867**	**78,932**	**1,363**	**(38,441)**	**(41,371)**	**-**	**23,350**
Total net interest rate exposure	**(20,700)**	**72,742**	**(22,604)**	**17,575**	**(2,033)**	**11,094**	**56,074**

1) In case of interest rate swaps, the notional amounts are used instead of accounting balances.

The data for the individual time buckets except the “Unspecified” column follow the interest rate gap from the model of interest rate sensitivity.

43.4 FOREIGN EXCHANGE RISK

Foreign exchange risk covers the risk of a loss due to changes in exchange rates. The Bank is exposed to foreign exchange risk primarily due to the provision of foreign exchange loan products to commercial borrowers, issuance of bonds denominated in foreign currencies and foreign exchange deposits.

The Bank strives to minimise the foreign exchange risk. For this purpose, the Bank maintains a balance of assets and liabilities in foreign currencies (by using a mix of FX spots, forwards and swaps transactions).

To measure the foreign exchange risk, the Bank calculates, on a daily basis, net currency positions and an FX Value at Risk (maximum expected loss per business day for the foreign currency portfolio at the 99% confidence level). The Bank uses the limits for the following metrics:

- ratio of the absolute value of the net currency position to capital for each foreign currency;
- ratio of the absolute value of the total net currency position to capital;
- absolute value of the net currency position for each foreign currency; and
- FX VaR .

On top of that, the foreign exchange risk of Trading book is managed by limits (intraday and end-of-day) for open FX spot position and by requirement to close each FX swap and FX forward transaction on a back-to-back basis.

The table below shows the FX VaR of the Bank.

CZK ths	31 Dec 2024	Average of daily values in 2024	31 Dec 2023	Average of daily values in 2023
FX VaR	2,524	2,668	4,177	2,909

The following table shows exposure of the Bank to foreign exchange risk:

31 Dec 2024 CZK m	CZK	EUR	USD	Other currencies	Total CZK
Cash and cash balances at the central bank	13,137	167	78	39	13,421
Derivative financial instruments with positive fair values	145	451	-	-	596
Investment securities	108,112	5,025	40	-	113,177
Hedging derivatives with positive fair values	2,229	85	-	-	2,314
Change in fair value of items hedged on portfolio basis	200	-	-	-	200
Loans and receivables to banks	74,206	3,514	229	92	78,041
Loans and receivables to customers	245,091	14,822	20	-	259,933
Remaining assets	11,265	15	-	-	11,280
Total assets	**454,385**	**24,079**	**367**	**131**	**478,962**
Due to banks	229	3,808	11	-	4,048
Due to customers	383,313	18,805	1,452	104	403,674
Derivative financial instruments with negative fair values	99	433	-	-	532
Change in fair value of items hedged on portfolio basis from liabilities	78	-	-	-	78
Hedging derivatives with negative fair values	1,925	2,334	-	-	4,259
Issued bonds	10,932	10,064	-	-	20,996
Subordinated liabilities	7,622	-	-	-	7,622
Remaining liabilities	3,356	1,389	22	3	4,770
Equity	32,983	-	-	-	32,983
Total liabilities and Equity	**440,537**	**36,833**	**1,485**	**107**	**478,962**
Net exchange rate balance sheet position	**13,848**	**(12,754)**	**(1,118)**	**24**	**-**
Receivables from spot and derivatives	1,914	14,610	1,309	13	17,846
Liabilities from spot and derivatives	15,899	1,825	75	20	17,819
Net exchange rate off-balance sheet position	**(13,985)**	**12,785**	**1,234**	**(7)**	**27**
Net exchange rate position	**(137)**	**31**	**116**	**17**	**27**

31 Dec 2023 CZK m	CZK	EUR	USD	Other currencies	Total CZK
Cash and cash balances at the central bank	10,270	162	65	37	10,534
Derivative financial instruments with positive fair values	113	431	-	-	544
Investment securities	96,787	4,008	30	-	100,825
Hedging derivatives with positive fair values	2,652	49	-	-	2,701
Change in fair value of items hedged on portfolio basis	122	-	-	-	122
Loans and receivables to banks	66,341	2,546	325	20	69,232
Loans and receivables to customers	229,893	15,943	45	-	245,881
Remaining assets	11,043	3	-	-	11,046
Total assets	**417,221**	**23,142**	**465**	**57**	**440,885**
Due to banks	48	5,394	9	-	5,451
Due to customers	360,351	9,843	1,265	115	371,574
Derivative financial instruments with negative fair values	103	420	-	-	523
Change in fair value of items hedged on portfolio basis from liabilities	63	-	-	-	63
Hedging derivatives with negative fair values	2,100	2,448	-	-	4,548
Issued bonds	11,976	2,318	-	-	14,294
Subordinated liabilities	7,604	-	-	-	7,604
Remaining liabilities	3,165	914	20	5	4,104
Equity	32,724	-	-	-	32,724
Total liabilities and Equity	**418,134**	**21,337**	**1,294**	**120**	**440,885**
Net exchange rate balance sheet position	**(913)**	**1,805**	**(829)**	**(63)**	**-**
Receivables from spot and derivatives	2,193	1,232	1,064	71	4,560
Liabilities from spot and derivatives	1,412	3,076	77	-	4,565
Net exchange rate off-balance sheet position	**781**	**(1,844)**	**987**	**71**	**(5)**
Net exchange rate position	**(132)**	**(39)**	**158**	**8**	**(5)**

43.5 LIQUIDITY RISK

Liquidity risk represents the risk of inability to meet financial liabilities when due or to finance increase in assets.

For liquidity and liquidity risk management, the banks in the Group (the Bank and the Building Savings Bank) created a liquidity sub-group. The Czech National Bank provided to the banks in the liquidity sub-group an exemption from certain liquidity requirements on individual levels, and so in 2024 the Czech National Bank supervised the Bank and Building Savings Bank as the only liquidity sub-group for liquidity purposes.

The Bank has access to diversified sources of financing, which include deposits, issued bonds, loans taken, as well as the Bank's equity. The bond and money markets are used to further diversify sources of liquidity and to deposit excess cash (see chapter 5).

To manage liquidity risk, the Bank applies a system of limits applied on the following metrics:

- Liquidity positions in selected time buckets (on a daily basis);
- Loan to Deposit Ratio (on a monthly basis);
- Liquidity Coverage Ratio (on a monthly basis);
- Net Stable Funding Ratio (on a monthly basis);
- Liquidity buffer (based on liquidity stress tests);
- Time to wall for selected scenarios (idiosyncratic, systemic and combined) (on a monthly basis);
- Concentration in deposits (on a monthly basis);
- Interbank Borrowing to Total Assets Ratio (on a monthly basis).

The Bank also monitors a chosen set of Early Warning Indicators.

For the purpose of liquidity management under extraordinary circumstances, the Bank has a contingency plan containing measures for recovering liquidity. The Treasury & ALM department regularly reviews the contingency plan and forwards it to the ALCO for approval.

(a) The table below summarises the remaining maturity of carrying amounts of assets, liabilities and equity according to their contractual maturity.

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	13,421	-	-	-	-	-	13,421
Derivative financial instruments with positive fair values	73	9	17	106	391	-	596
Investment securities	-	357	3,937	34,426	74,390	67	113,177
Hedging derivatives with positive fair values	-	6	67	855	1,386	-	2,314
Change in fair value of items hedged on portfolio basis	1	(1)	59	129	12	-	200
Loans and receivables to banks	75,525	-	-	-	-	2,516	78,041
Loans and receivables to customers[1)]	10,140	4,091	23,431	78,310	139,951	4,010	259,933
Investments in subsidiaries and associates	-	-	-	-	-	4,468	4,468
Current tax assets	-	-	59	-	-	-	59
Remaining assets	155	-	651	12	3	5,932	6,753
Total Assets	**99,315**	**4,462**	**28,221**	**113,838**	**216,133**	**16,993**	**478,962**
Due to banks	1,077	-	-	2,566	-	405	4,048
Due to customers	362,834	33,369	7,224	24	8	215	403,674
Derivative financial instruments with negative fair values	43	8	15	85	381	-	532
Hedging derivatives with negative fair values	51	92	274	2,195	1,647	-	4,259
Provisions	-	-	-	-	-	262	262
Change in fair value of items hedged on portfolio basis	-	-	-	78	-	-	78
Deferred tax liabilities	-	-	-	-	-	334	334
Issued bonds	-	1,703	1,395	9,893	8,005	-	20,996
Subordinated liabilities	92	30	-	4,909	2,591	-	7,622
Other liabilities	2,703	16	255	964	107	129	4,174
Equity	-	-	-	-	-	32,983	32,983
Total liabilities and equity	**366,800**	**35,218**	**9,163**	**20,714**	**12,739**	**34,328**	**478,962**
Net liquidity position of assets and liabilities and equity[2)]	**(267,485)**	**(30,756)**	**19,058**	**93,124**	**203,394**	**(17,335)**	**-**
Issued guarantees and credit limits on guarantees[3)]	**1,463**	**-**	**-**	**-**	**-**	**-**	**1,463**
Loan commitments[4)]	**4,974**	**-**	**-**	**-**	**-**	**-**	**4,974**

1) Loans and receivables to customers presented under the "Unspecified" category as at 31 December 2024 of CZK 4,010 million (31 December 2023: CZK 3,506 million) represent mainly the loans and receivables that are overdue more than 1 month, allowances and deferred cost and fees that are an integral part of the effective interest rate and fair value adjustment taken over as part of the Merger.
2) Net liquidity position of assets and liabilities and equity within 1 month as at 31 December 2024 of CZK (267,485) million (31 December 2023: CZK (239,967) million) is primarily due to the fact that contractual maturity of current accounts falls within 1 month.
3) Contents irrevocable Issued guarantees and credit limits on guarantees.
4) The loan commitments represent irrevocable loan commitments only relating to commercial investment loans and mortgages. Total undrawn commitments on credit cards are not included in the table above as, historically, average limit usage is significantly below 100% and this behaviour is expected to continue.

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	10,534	-	-	-	-	-	10,534
Derivative financial instruments with positive fair values	2	4	33	125	380	-	544
Investment securities	-	249	1,417	30,201	68,902	56	100,825
Hedging derivatives with positive fair values	8	14	144	995	1,540	-	2,701
Change in fair value of items hedged on portfolio basis	(2)	(13)	(66)	191	12	-	122
Loans and receivables to banks	66,992	-	-	-	-	2,240	69,232
Loans and receivables to customers[1)]	10,228	4,071	22,928	75,203	129,945	3,506	245,881
Investments in subsidiaries and associates	-	-	-	-	-	4,466	4,466
Current tax assets	-	-	57	-	-	-	57
Remaining assets	126	-	522	4	3	5,868	6,523
Total Assets	**87,888**	**4,325**	**25,035**	**106,719**	**200,782**	**16,136**	**440,885**
Due to banks	2,357	-	2,531	-	-	563	5,451
Due to customers	323,440	10,569	37,211	84	-	270	371,574
Derivative financial instruments with negative fair values	14	3	31	106	369	-	523
Hedging derivatives with negative fair values	3	2	128	2,214	2,201	-	4,548
Provisions	-	-	-	-	-	266	266
Change in fair value of items hedged on portfolio basis	(2)	(7)	(31)	103	-	-	63
Deferred tax liabilities	-	-	-	-	-	327	327
Issued bonds	-	697	2,631	10,466	500	-	14,294
Subordinated liabilities	92	-	18	2,913	4,581	-	7,604
Other liabilities	1,951	13	216	920	301	110	3,511
Equity	-	-	-	-	-	32,724	32,724
Total liabilities and equity	**327,855**	**11,277**	**42,735**	**16,806**	**7,952**	**34,260**	**440,885**
Net liquidity position of assets and liabilities and equity[2)]	**(239,967)**	**(6,952)**	**(17,700)**	**89,913**	**192,830**	**(18,124)**	**-**
Issued guarantees and credit limits on guarantees[3)]	**1,119**	**-**	**-**	**-**	**-**	**-**	**1,119**
Loan commitments[4)]	**3,538**	**-**	**-**	**-**	**-**	**-**	**3,538**

1) Loans and receivables to customers presented under the "Unspecified" category as at 31 December 2024 of CZK 4,010 million (31 December 2023: CZK 3,506 million) represent mainly the loans and receivables that are overdue more than 1 month, allowances and deferred cost and fees that are an integral part of the effective interest rate and fair value adjustment taken over as part of the Merger.
2) Net liquidity position of assets and liabilities and equity within 1 month as at 31 December 2024 of CZK (267,485) million (31 December 2023: CZK (239,967) million) is primarily due to the fact that contractual maturity of current accounts falls within 1 month.
3) Contents irrevocable Issued guarantees and credit limits on guarantees.
4) The loan commitments represent irrevocable loan commitments only relating to commercial investment loans and mortgages. Total undrawn commitments on credit cards are not included in the table above as, historically, average limit usage is significantly below 100% and this behaviour is expected to continue.

(b) The table below shows the remaining contractual maturity of non-derivative financial liabilities and issued financial guarantees and loan commitments held for the Bank's liquidity management purposes. The amounts include contractual non-discounted cash flows.

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Due to banks	1,077	42	42	2,666	-	405	4,232
Due to customers	362,834	33,563	7,337	24	8	215	403,981
Issued bonds	-	1,740	1,768	12,083	8,410	-	24,001
Subordinated liabilities	99	57	57	6,492	2,700	-	9,405
Other liabilities	2,703	16	255	964	107	129	4,174
Total non-derivative financial liabilities	**366,713**	**35,418**	**9,459**	**22,229**	**11,225**	**749**	**445,793**
Issued guarantees and credit limits on guarantees	**1,463**	**-**	**-**	**-**	**-**	**-**	**1,463**
Loan commitments[1)]	**4,974**	**-**	**-**	**-**	**-**	**-**	**4,974**

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Unspecified	Total
Due to banks	2,357	-	2,596	-	-	563	5,516
Due to customers	323,439	10,668	38,195	85	-	270	372,657
Issued bonds	-	728	2,785	11,508	532	-	15,553
Subordinated liabilities	99	-	66	4,508	4,865	-	9,538
Other liabilities	1,951	13	216	920	301	110	3,511
Total non-derivative financial liabilities	**327,846**	**11,409**	**43,858**	**17,021**	**5,698**	**943**	**406,775**
Issued guarantees and credit limits on guarantees	**1,119**	**-**	**-**	**-**	**-**	**-**	**1,119**
Loan commitments[1)]	**3,538**	**-**	**-**	**-**	**-**	**-**	**3,538**

1) The loan commitments represent irrevocable loan commitments only relating to commercial investment loans and mortgages.

(c) The table below shows the remaining contractual maturity of liabilities from financial derivatives:

31 Dec 2024 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Held for trading derivatives						
Currency swaps	1	-	-	-	-	1
Interest rate swaps	-	-	-	62	381	443
Currency forwards	5	8	15	23	-	51
Cross currency interest rate swaps	37	-	-	-	-	37
Hedging derivatives						
Interest rate swaps	51	92	214	2,143	1,647	4,147
Cross currency interest rate swaps	-	-	60	52	-	112
Total financial derivatives	**94**	**100**	**289**	**2,280**	**2,028**	**4,791**

31 Dec 2023 CZK m	Within 1 month	1 – 3 months	3 – 12 months	1 – 5 years	More than 5 years	Total
Held for trading derivatives						
Currency swaps	13	-	-	-	-	13
Interest rate swaps	-	-	-	53	369	422
Currency forwards	1	3	31	26	-	61
Cross currency interest rate swaps	-	-	-	27	-	27
Hedging derivatives						
Interest rate swaps	3	2	128	2,156	2,201	4,490
Cross currency interest rate swaps	-	-	-	58	-	58
Total financial derivatives	**17**	**5**	**159**	**2,320**	**2,570**	**5,071**

(d) The table below shows the remaining expected maturity of assets and liabilities as follows:

31 Dec 2024 CZK m	Within 1 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	13,421	-	-	-	-	-	13,421
Derivative financial instruments with positive fair values	73	9	17	106	391	-	596
Investment securities	109,721[2)]	8	28	2,683	670	67	113,177
Hedging derivatives with positive fair values	-	6	67	855	1,386	-	2,314
Change in fair value of items hedged on portfolio basis	1	(1)	59	129	12	-	200
Loans and receivables to banks	75,525	-	-	-	-	2,516	78,041
Loans and receivables to customers	10,807	10,651	45,138	116,503	74,770	2,064	259,933
Investments in subsidiaries and associates	-	-	-	-	-	4,468	4,468
Current tax assets	-	-	59	-	-	-	59
Remaining assets	155	-	651	12	3	5,932	6,753
Total Assets	**209,703**	**10,673**	**46,019**	**120,288**	**77,232**	**15,047**	**478,962**
Due to banks	1,077	-	-	2,566	-	405	4,048
Due to customers[1)]	66,360	50,646	75,476	165,227	45,750	215	403,674
Derivative financial instruments with negative fair values	43	8	15	85	381	-	532
Hedging derivatives with negative fair values	51	92	274	2,195	1,647	-	4,259
Provisions	-	-	-	-	-	262	262
Change in fair value of items hedged on portfolio basis	-	-	-	78	-	-	78
Deferred tax liability	-	-	-	-	-	334	334
Issued bonds	-	1,703	1,395	9,893	8,005	-	20,996
Subordinated liabilities	92	30	-	4,909	2,591	-	7,622
Other liabilities	2,703	16	255	964	107	129	4,174
Equity	-	-	-	-	-	32,983	32,983
Total liabilities and equity	**70,326**	**52,495**	**77,415**	**185,917**	**58,481**	**34,328**	**478,962**
Net liquidity position	**139,377**	**(41,822)**	**(31,396)**	**(65,629)**	**18,751**	**(19,281)**	**-**

1) Balances are allocated to the buckets based on the expected maturity of non-maturity deposits and contractual maturity date of term deposits. Expected maturity of non-maturity deposits is a function of deposits' volatility and the average life of the non-volatile part.
2) Balance reported within 1 month represents Government bonds which may be used as a collateral in repo transactions.

31 Dec 2023 CZK m	Within 1 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Unspecified	Total
Cash and cash balances at the central bank	10,534	-	-	-	-	-	10,534
Derivative financial instruments with positive fair values	2	4	33	125	380	-	544
Investment securities	97,542[2)]	-	23	3,004	200	56	100,825
Hedging derivatives with positive fair values	8	14	144	995	1,540	-	2,701
Change in fair value of items hedged on portfolio basis	(2)	(13)	(66)	191	12	-	122
Loans and receivables to banks	66,992	-	-	-	-	2,240	69,232
Loans and receivables to customers	10,275	9,973	43,765	112,040	67,396	2,432	245,881
Investments in subsidiaries and associates	-	-	-	-	-	4,466	4,466
Current tax assets	-	-	57	-	-	-	57
Remaining assets	126	-	522	4	3	5,868	6,523
Total Assets	**185,477**	**9,978**	**44,478**	**116,359**	**69,531**	**15,062**	**440,885**
Due to banks	2,357	-	2,531	-	-	563	5,451
Due to customers[1)]	51,359	19,879	76,030	163,367	60,669	270	371,574
Derivative financial instruments with negative fair values	14	3	31	106	369	-	523
Hedging derivatives with negative fair values	3	2	128	2,214	2,201	-	4,548
Provisions	-	-	-	-	-	266	266
Change in fair value of items hedged on portfolio basis	(2)	(7)	(31)	103	-	-	63
Deferred tax liability	-	-	-	-	-	327	327
Issued bonds	-	697	2,631	10,466	500	-	14,294
Subordinated liabilities	92	-	18	2,913	4,581	-	7,604
Other liabilities	1,951	13	216	920	301	110	3,511
Equity	-	-	-	-	-	32,724	32,724
Total liabilities and equity	**55,774**	**20,587**	**81,554**	**180,089**	**68,621**	**34,260**	**440,885**
Net liquidity position	**129,703**	**(10,609)**	**(37,076)**	**(63,730)**	**910**	**(19,198)**	**-**

1) Balances are allocated to the buckets based on the expected maturity of non-maturity deposits and contractual maturity date of term deposits. Expected maturity of non-maturity deposits is a function of deposits' volatility and average life of the non-volatile part.
2) Balance reported within 1 month represents Government bonds which may be used as a collateral in repo transactions.

43.6 OPERATIONAL RISK

Operational risk represents the risk of a loss resulting from inadequate or failed internal processes, people or systems, or from external events, including the risk of loss due to a breach of or failure to comply with a legal or regulatory requirement or a threat to the Bank's reputation. It also includes legal and outsourcing risk.

The Bank implemented standardised tools and processes for operational risk management, including Risk & Control Self-Assessment (RCSA), Loss Data Collection of actual internal operational risk losses, monitoring of external operational risk events, Key Risk Indicators, scenario analyses and Issue management that is used to record, monitor and report identified risks and issues. The Issue management system is also used for monitoring the relevant action plans, if applicable, and is closely linked to the RCSA process. The Bank continually develops and improves these tools and processes.

The Bank's Management Board specifically approves the operational risk governance structure and framework, and the Bank's objectives for operational risk management and decides about acceptance of major risks if there are no feasible remedial measures.

The Operational Risk Committee (ORCO) oversees the Bank's operational risk management process and approves methods, limits and Key Risk Indicators, monitors adherence to approved limits and Key Risk Indicators and approves principal changes in the insurance programme.

More details about operational risk and its management are comprised in section 5.5 of the Annual financial report.

43.6.1 Legal Risk

Dealing with legal risk and managing it means minimising uncertainty associated with enforcement and interpretation of applicable law, contracts and regulations. In addition to standard legal functions in the various areas such as contract, banking and corporate law, the main tasks of the Bank's lawyers during 2024 consisted of keeping both the retail and commercial contractual documentation aligned with both the business strategy and various needs of the business departments of the Bank, as well as new regulations. The Bank continuously monitors legal disputes and provision is created for the estimated amount of payment if it is more probable than not that the cash outflow will have to be made.

44. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The following table shows the carrying value and fair values of financial assets and liabilities that are not presented at fair value in the Bank's individual statement of financial position. The fair value includes also anticipated future losses.

The Bank uses the following inputs and techniques to estimate the fair value for asset and liability categories:

- **Cash and cash balances at the central bank**
  The carrying value of cash and cash balances at the central bank approximates their fair value.
- **Loans and receivables to banks**
  The carrying value of receivables to banks approximates their fair values due to the short maturity of those receivables.
- **Loans and receivables to customers**
  The fair value of loans is estimated on the basis of discounted future expected cash flows using the interest rate common for loans with similar credit risk and interest risk conditions profile and maturity dates (discounted rate technique according to IFRS 13). For impaired loans the present value of future expected cash flows including the expected proceeds from a collateral foreclosure, if any.
- **Due to banks**
  The carrying value of Due to banks in principle approximates their fair value due to the short maturity of these deposits.
- **Due to customers**
  The fair value of deposits repayable on demand at request and term deposits bearing a variable interest rate are equal to their carrying value as at the balance sheet date. The fair value of term deposits with a fixed interest rate is estimated on the basis of discounted cash flows using the market interest rates.
- **Investment securities at amortised cost**
  The difference between fair value and carrying value of investment securities measured at amortised cost is mainly driven by different market and effective interest rates of government bonds included in this portfolio.
- **Subordinated liabilities, Mortgage-backed bonds and Other issued bonds**
  The difference between fair value and carrying value of subordinated debt securities, subordinated liabilities, mortgage-backed bonds and other issued bonds measured at amortised cost is determined on the basis of discounted cash flows using the market interest rates.

	31 Dec 2024		31 Dec 2023	
CZK m	Carrying value	Fair value	Carrying value	Fair value
FINANCIAL ASSETS				
Cash and cash balances at the central bank	13,421	13,421	10,534	10,534
Investment securities at amortised cost[1)]	113,110	106,498	100,769	94,415
Loans and receivables to banks	78,041	78,041	69,232	69,232
Loans and receivables to customers	259,933	259,346	245,881	241,413
FINANCIAL LIABILITIES				
Due to banks	4,048	4,065	5,451	5,450
Due to customers	403,674	403,674	371,574	371,574
Mortgage-backed bonds	9,434	9,349	10,486	10,234
Other issued bonds	11,562	12,654	3,808	4,100
Subordinated debt securities	4,706	4,672	4,690	4,546
Subordinated deposits[2)]	2,916	3,014	2,914	3,042

1) Difference between fair value and carrying value is mainly driven by different market and effective interest rates of the Government bonds.
2) When calculating the discount rate, the Bank assumes that primarily credit and liquid markup has not changed significantly since the origination of the subordinated deposits, thus the change in interest rate is the main driver of the discount rate. In case of significant changes in the other components, the discount rate calculation will be adjusted accordingly.

Investment securities measured at amortised cost are classified as level 1 because fair value is based on quoted prices on active market. Cash and cash balances at the central bank, loans and receivables to banks and due to banks are classified as level 2 and all other fair values presented above are classified as level 3 as the data used for the estimation of the discount rate are not based on the data from the active market. There are assumptions applied for the estimation of the cash flows used for discounting taking into account expected repayment profile of the particular pool or product. The discount rates used for discounting are based on the rates of the major competitors or other benchmark rates for similar type of assets.

The following table summarises the hierarchy of fair values of financial assets and financial liabilities that are carried at fair value in the statement of financial position:

	31 Dec 2024			31 Dec 2023		
CZK m	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
FINANCIAL ASSETS						
Derivative financial instruments with positive fair values	-	596	-	-	544	-
Debt securities measured at FVTPL	-	-	41	-	-	30
Equity securities measured at FVTPL	-	-	25	-	-	25
Equity securities measured at FVTOCI	-	-	1	-	-	1
Hedging derivatives with positive fair values	-	2,314	-	-	2,701	-
Change in fair value of items hedged on portfolio basis	-	-	200	-	-	122
FINANCIAL LIABILITIES						
Derivative financial instruments with negative fair values	-	532	-	-	523	-
Hedging derivatives with negative fair values	-	4,259	-	-	4,548	-
Change in fair value of items hedged on portfolio basis	-	-	78	-	-	63

There were no transfers between level 1 and 2 during the year 2024 nor 2023.

The Bank uses the following inputs and techniques to determine fair value under level 2 and level 3:

The level 2 assets include mainly financial derivatives, corporate bonds and treasury bills. For derivative exposures the fair value is estimated using the present value of the cash flows resulting from the transactions taking into account market inputs like FX spot and forward rates, benchmark interest rates, swap rates, etc. The fair value of corporate bonds, treasury bills is calculated as the present value of cash flows using the benchmark interest rates.

The level 3 assets include equity instruments not traded on the market where the fair value is calculated using the valuation techniques including expert appraisals.

Movement analysis of level 3 financial assets and liabilities:

CZK m	**As at 1 Jan 2024**	**Purchases/ Sales in the period**	**Total gains and losses in the period recognised in the income statement**	**Total gains and losses in the period recognised in OCI**	**As at 31 Dec 2024**
Investment securities at FVTOCI	1	-	-	-	1
Investment securities at FVTPL	55	-	11	-	66
Total	**56**	**-**	**11**	**-**	**67**

CZK m	**As at 1 Jan 2023**	**Purchases/ Sales in the period**	**Total gains and losses in the period recognised in the income statement**	**Total gains and losses in the period recognised in OCI**	**As at 31 Dec 2023**
Investment securities at FVTOCI	1	-	-	-	1
Investment securities at FVTPL	71	(23)	7	-	55
Total	**72**	**(23)**	**7**	**-**	**56**

45. MANDATORY PUBLISHED INFORMATION

The Bank quarterly publishes the mandatory information according to CNB Decree No. 163/2014 Coll. and Part 8 of Regulation of the European Parliament and the Council (EU) No. 575/2013 of 26 June 2013 on its website in the section Mandatory information at the following address: https://investors.moneta.cz/financial-results.

46. SUBSEQUENT EVENTS

There have been no subsequent events arising after 31 December 2024 that would have a material impact on these separate financial statements.

Signature of statutory representatives

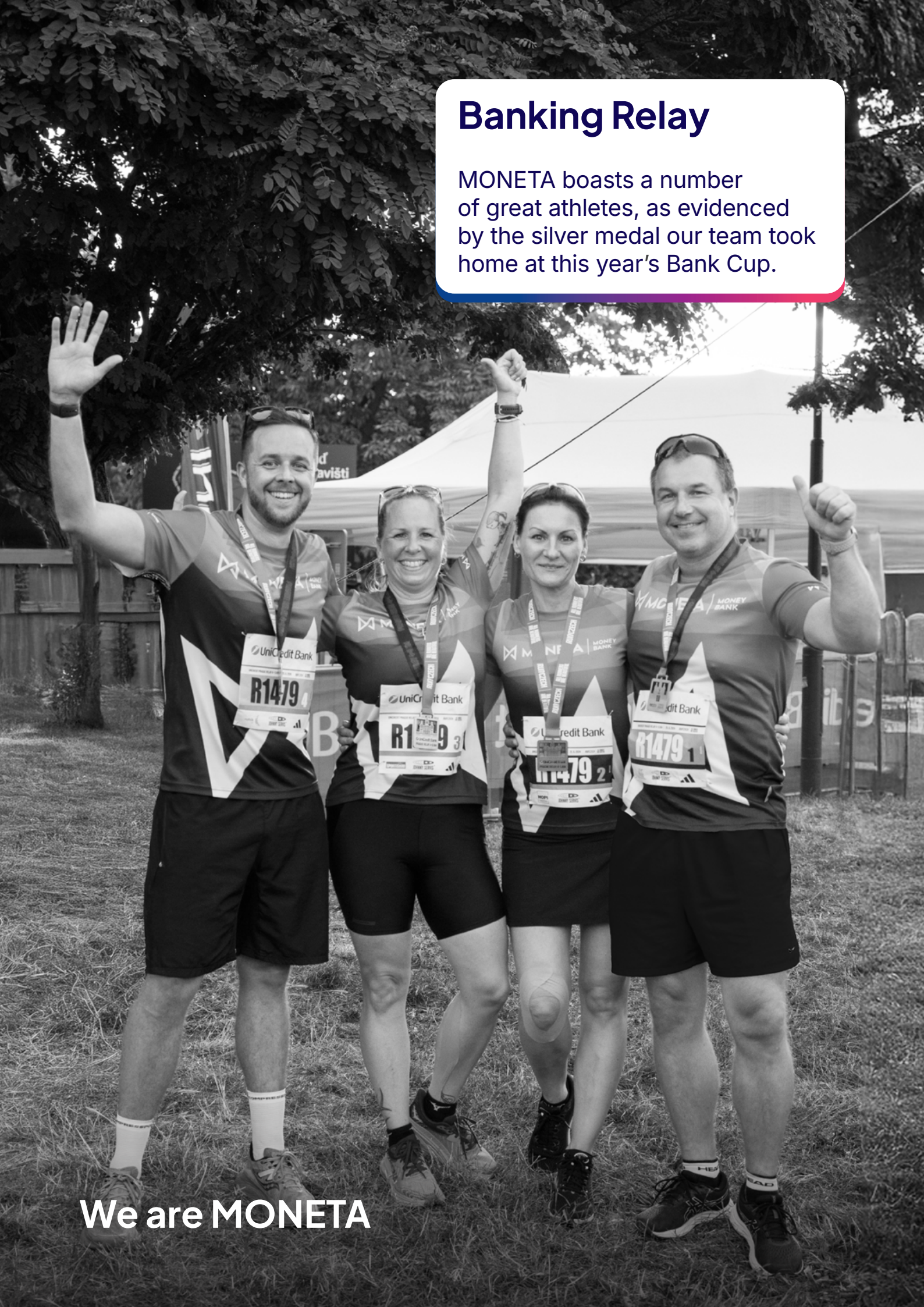
In Prague, on 17 March 2025



Tomáš Spurný
Chairman of the Management Board and CEO
MONETA Money Bank, a.s.



Jan Friček
Member of the Management Board and CFO
MONETA Money Bank, a.s.



Banking Relay

MONETA boasts a number of great athletes, as evidenced by the silver medal our team took home at this year's Bank Cup.

We are MONETA

9. ADDITIONAL DISCLOSURES

9.1 GOVERNING LAW

The activities of the Group are subject to, in particular, the following Czech and EU laws and regulations, as amended, including, where relevant, their implementing measures:

- EU Regulation No. 575/2013 on Prudential Requirements for Credit Institutions and Investment Firms;
- EU Regulation No. 600/2014 on Markets in Financial Instruments;
- EU Regulation No. 2017/1129 on the Prospectus to be Published when Securities are Offered to the Public or Admitted to Trading on a Regulated Market;
- Act No. 21/1992 Coll., on Banks;
- CNB Decree No. 163/2014 Coll., on the Performance of the Activities of Banks, Credit Unions and Investment Firms;
- Act No. 374/2015 Coll., on Recovery and Resolution in the Financial Market;
- Act No. 256/2004 Coll., on Capital Market Business (Capital Markets Act);
- Act No. 15/1998 Coll., on Supervision in the Capital Markets;
- EU Regulation No. 596/2014 on Market Abuse (Market Abuse Regulation);
- CNB Decree No. 234/2009 Coll., on Protection against Market Abuse and on Transparency;
- Act No. 90/2012 Coll., on Business Corporations and Co-operatives (Business Corporations Act);
- Act No. 257/2016 Coll., on Consumer Credit;
- Act No. 370/2017 Coll., the Payment Systems Act;
- Act No. 191/1950 Coll., the Bill of Exchange and Cheque Act;
- Act No. 170/2018 Coll., on Insurance and Reinsurance Distribution, which with effect from 1 December 2018 repealed and replaced Act No. 38/2004 Coll., on Insurance Intermediaries and Independent Loss Adjusters and on Amending the Trade Licensing Act;
- Act No. 253/2008 Coll., on Certain Measures against the Legalization of Proceeds from Criminal Activity and the Financing of Terrorism;
- Act No. 563/1991 Coll., on Accounting;
- EU Regulation No. 1126/2008 on Adopting Certain International Accounting Standards in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council;
- EU Regulation No. 537/2014 on Specific Requirements regarding Statutory Audit of Public-Interest Entities;
- Act No. 93/2009 Coll., on Auditors;
- Act No. 110/2019 Coll., on Processing of Personal Data;
- EU Regulation No. 2016/679 on Protection of Natural Persons with Regard to the Processing of Personal Data and on the Free Movement of such Data;
- Act No. 143/2001 Coll., on Protection of Economic Competition;
- Act No. 136/2011 Coll., on the Circulation of Banknotes and Coins;
- Act No. 190/2004 Coll., on Bonds;
- Act No. 240/2013 Coll., on Investment Companies and Investment Funds;
- Act No. 89/2012 Coll., the Civil Code;
- Act No. 99/1963 Coll., the Code of Civil Procedure;
- Act No. 292/2013 Coll., on Special Court Proceedings;
- Act No. 182/2006 Coll., on Insolvency and Methods for its Resolution;
- Act No. 277/2013 Coll., on Foreign Exchange Activities;
- Act No. 634/1992 Coll., on Consumer Protection; and
- EU Regulation No. 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment.

9.2 SIGNIFICANT INVESTMENTS

MONETA Investments[1]

(in CZK m)	31 Dec 2024	31 Dec 2023
Tangible assets	2,260	2,400
Intangible assets	3,365	3,332
Total	**5,625**	**5,732**

Investments in intangible assets made in 2024 in the amount of CZK 749 million were mainly focused on the development of internet and mobile banking applications, the redesign of MONETA's internet pages and the IT platform. Within tangible assets, MONETA invested further CZK 195 million, mainly into the electric car fleet and the branch network.

9.3 TRADEMARKS, LICENCES AND SUB-LICENCES

In 2024, the Bank used trademarks for labelling its products and services in the Czech Republic.

The Bank registered a total number of 44 trademarks with the Czech Intellectual Property Office and one trademark with the European Union Intellectual Property Office. The Bank also registered six community designs with the European Union Intellectual Property Office under EU Regulation No. 6/2002 of 12 December 2001 on Community designs. In some cases, the Bank is also a licensee and sublicensee, typically in relation to providers of IT services.

9.4 EXPENSES ON RESEARCH AND DEVELOPMENT

In 2024, the Group incurred total expenses for research and development in the amount of CZK 705.6 million. These were mainly used for the further development and expansion of mobile and internet banking, digitalisation of online mortgage servicing processes, new website design, and technological development of IT platforms.

9.5 INTELLECTUAL PROPERTY

The Group has procured a number of SW and IT technology licences which are needed to run its banking and financial business in the areas of primary banking, treasury, IFRS calculation, statistics and analytics for risk, AML and CRM management, card payment management, accounting, etc.

The Group uses, owns, or otherwise relies on the right to the MONETA name, brand and logo.

9.6 DESCRIPTION OF REAL ESTATE OWNED AND LEASED BY THE GROUP

Description of property owned by the Bank is described in Notes to Consolidated Financial Statements (Note 5.12 Property and Equipment).

The Group leased two headquarter premises set out in the table below as at 31 December 2024:

Lessee	Location	Function
Bank	BB C HQ, Prague 4, Vyskočilova 1442/1b, 140 28	Registered office and headquarters of the Bank, MONETA Auto, MONETA Leasing and the Building Savings Bank
Bank	Ostrava, CTPark Ostrava — AXIS A and B including parking, Na Rovince 871, 720 00	Shared Services, Contact Centre and Collections

MONETA also leases its 124 branches (as at 31 December 2024) throughout the Czech Republic.

MONETA is not aware of any significant environmental issues or other constraints that would materially impact the intended use of the Group's facilities.

9.7 MEMBERSHIPS IN INDUSTRY AND OTHER ASSOCIATIONS

The Bank or other entities from the Group are members of the following industry or other associations:

- Czech Banking Association ("CBA");
- Czech Leasing and Financial Association ("CLFA"); and
- Czech Capital Market Association ("AKAT CR").

Entities of the Group adopted following codices:

CLFA Memorandum on consumer protection in providing consumer loans, CBA Financial Market Ethical Code and Code of Conduct of CLFA members.

9.8 MATERIAL CONTRACTS

In 2018, the Bank entered into a lease contract with BB C - Building A, s.r.o., with registered office at Želetavská 1525/1, Michle, 140 00 Prague 4, ID No. 25147072, (whose assets were transferred to PASSERINVEST BBC 3, s.r.o., with registered office at Želetavská 1525/1, Michle, 140 00 Prague

1 Excluding financial investments.

4, IČO 06629580), for new HQ premises located at Vyskočilova 1442/1b, Michle, 140 28 Prague 4, initally for at least the next 10 years. The contract was extended by additional two years in 2023.

9.9 PHILANTHROPIC ACTIVITIES

Social responsibility is an important part of MONETA's vision. Philanthropic activities and support for local communities are core areas of social responsibility and are covered by the MONETA Clementia Foundation, which is funded by the Bank. Its activities focus on four areas. In the first area, it helps customers who are in financial difficulties and cannot repay their obligations to MONETA. In the second, it helps disadvantaged children from orphanages, socially disadvantaged families, and children in foster care to access education. It also runs a grant programme to support non-profit organisations working with disadvantaged children, adults, and the elderly, and to protect the environment. It also helps MONETA employees who find themselves in difficult circumstances. Detailed information on the activities of the foundation Nadace MONETA Clementia can be found in its annual report, available on the website https://clementia.cz/.



Charity Fairs

The traditional Christmas and Easter fairs at the headquarters in Prague and Ostrava are a welcome change and an opportunity for non-profit organisations. Popular stalwarts include Aranžérie, Tichá kavárna, Tulipan, Prostě triko, Rybka Tábor, DobroDílo, Cesty domů, Charita Ostrava, Spirála and many others. The proceeds from the sale of their products were doubled this year by the MONETA Clementia Foundation. The tree of fulfilled wishes of children and seniors is also popular.

10. ALTERNATIVE PERFORMANCE MEASURES

In this chapter, certain financial data and measures are presented which are not calculated pursuant to any accounting standard and which are therefore non-IFRS measures and alternative performance measures as defined in the European Securities and Markets Authority Guidelines on Alternative Performance Measures.

All alternative performance measures included in this document are calculated for the specified period.

These alternative performance measures are included to (i) extend the financial disclosure also to metrics which are used, along with IFRS measures, by the management for evaluation of the Group's performance, and (ii) provide to investors further basis, along with IFRS measures, for measuring the Group's performance. Because of the discretion that the Group has in defining these measures and calculating the reported amounts, care should be taken in comparing these various measures with similar measures used by other companies. These measures should not be used as a substitute for evaluating the performance of the Group based on the Consolidated Financial Statements of the Group. Non-IFRS measures have limitations as analytical tools, and investors should not consider them in isolation, or as a substitute for an analysis of the Group's results as reported under IFRS and set out in the Consolidated Financial Statements of the Group, and investors should not place any undue reliance on non-IFRS measures. Non-IFRS measures presented in this Annual Financial Report should not be considered as measures of discretionary cash available to the Group to invest in the growth of the business, or as measures of cash that will be available to the Group to meet its obligations. Investors should rely primarily on the Group's IFRS results and use the non-IFRS measures only as supplemental means for evaluating the performance of the Group.

Definitions of alternative performance measures used in the Annual Financial Report:

Capital Adequacy Ratio/CAR/Total Capital Ratio	Regulatory capital expressed as a percentage of risk weighted assets (RWA, calculated pursuant to CRR)
CET 1/CET 1 Capital	Common equity Tier 1 capital represents regulatory capital which consists of capital instruments and other items provided in the Article 26 of CRR, such as paid-up registered share capital, share premium, retained profits, disclosed reserves and reserves for general banking risks, which must be netted off against accumulated losses, certain deferred tax assets, certain intangible assets and shares held by the Bank in itself (calculated pursuant to CRR)
CET 1 Capital Ratio/CET1 ratio	CET 1 capital as a percentage of risk weighted assets (RWA, calculated pursuant to CRR)
Core NPL coverage	Ratio (expressed as a percentage) of allowances for losses created to NPL receivables to total amount of NPL receivables. MONETA uses the Core NPL Coverage measure because it shows the degree to which its Stage 3 loan portfolio is covered by allowances for losses created for the Stage 3 loans
Cost of funds on customer deposits	Interest expense and similar charges on customer deposits for the period divided by average balance of customer deposits
Cost of risk/CoR	Net impairment of loans and receivables for the period divided by the average balance of net loans to customers. MONETA uses the Cost of Risk measure because it describes the development of the credit risk in relative terms to its average loan portfolio balance
Cost to income ratio	Ratio (expressed as a percentage) of total operating expenses for the reported period to total operating income for the reported period. MONETA uses the cost to income ratio measure because it reflects the cost efficiency in relative terms to generated revenues
Customer deposits	Due to customers excluding repo operations and Credit Support Annex operations "CSA"
Dividend yield	Dividend yield is calculated as a ratio (expressed as a percentage) of the dividend per share paid in the financial year to the closing share price of the first trading day of the financial year. MONETA uses this ratio as it represents the annualised return on a share which MONETA pays out in the form of dividends in relative terms to the share price
Excess capital	Capital exceeding the management target capital ratio. MONETA uses the excess capital measure because it describes MONETA's capital in excess of capital held to maintain its target capital adequacy ratio and represents the amount of capital which could potentially be used for growth, both organic and inorganic, or be paid out to MONETA's shareholders
Excess liquidity	Liquidity above the regulatory requirement for Liquidity Coverage Ratio of at least 100% as introduced by CRR effective from 1 January 2018. MONETA uses the excess liquidity to show high-quality liquid assets available above the minimum level needed to comply with the regulatory requirement

Gross performing receivables	Gross carrying amount of performing loans and receivables to customers as determined in accordance with MONETA's loan receivables categorisation rules (Standard, Watch)
High quality liquid assets/HQLA	According to Basel III regulation, assets that are easily and immediately converted into cash at little or no loss of value. MONETA considers as HQLA its cash balances, balances held in the central bank and Czech government bonds
Leverage	Ratio calculated in accordance with CRR, as amended by CRR 2, as Group's Tier 1 capital divided by Group's total exposure
Liquidity Coverage Ratio/LCR	Liquidity Coverage Ratio represents the ratio (expressed as a percentage) of MONETA's balance of high-quality liquid assets to its projected net liquidity outflows over a 30-day stress period, as calculated in accordance with CRR and EU Regulation 2015/61. MONETA uses this ratio to show its liquidity position
Liquid assets	Liquid assets are defined by the Group as cash and cash balances at the central bank, loans and receivables to banks and investment securities regardless of the purpose those assets are held by the Group
Liquidity buffer	Liquid assets that the Bank holds in compliance with CRR and EU Regulation 2015/61
Loan to deposit ratio	Loan to deposit ratio calculated as net loans and receivables to customers divided by customer deposits (excluding repo operations and CSA). MONETA uses loan to deposit ratio measure to assess its liquidity level
Loan to value/LTV	Loan to Value (LTV) ratio represents the ratio of gross carrying value of loan to fair value of collateral available at the reporting date
Net interest earning assets	Cash and balances with the central bank, investment securities, loans and receivables to banks, loans and receivables to customers and prior to the transition to IFRS 9 also financial assets at fair value through profit and loss, financial assets available for sale, financial assets held to maturity. Including encumbered assets and excluding hedging derivatives
Net interest margin/NIM	Net interest and similar income divided by the average balance of net interest earning assets. MONETA uses the net interest margin measure because this metric represents the primary measure of profitability showing margin between interest earned on interest earning assets (e.g., loans to customers) and paid on interest bearing liabilities (e.g., customer deposits) in relative terms to the average balance of interest earning assets
Net non-interest income	Total operating income less Net interest income for the period. MONETA uses the net non-interest income measure as it is an important metric for assessing and controlling the diversity of revenue streams
New production/new volume	Aggregate of loan principal disbursed in the period for non-revolving loans. MONETA uses new volume/production metrics as it reflects performance of its distribution network and ability of the Group to generate new loans, which is key for the loan portfolio growth
Non-performing loans/NPL	Non-performing loans as determined in accordance with the Bank's loan receivables categorisation rules as Substandard, Doubtful or Loss (Stage 3 according to IFRS 9) and gross loans from Stage POCI per IFRS 9 categorised as non-performing
NPL ratio	Ratio (expressed as a percentage) of NPL to Gross loans and receivables to customers. MONETA uses the NPL ratio measure because it's the key indicator of portfolio quality and allows comparison to the market and peers
Online sales/origination/production/ volume	New Online volume/sale represents volume from leads initiated through digital channels and disbursed either through digital channels or branches. MONETA uses the online sales/origination/production/volume because it reflects the production of MONETA's digital/online distribution channels
Opportunistic repo operations	Repo transactions with counterparties which are closed on a back-to-back basis by reverse repo transactions with the CNB. MONETA uses this measure to show them separately from other repo operations
Performing receivables	Performing Receivables as determined in accordance with MONETA's loan receivables categorisation rules (Standard, Watched)
Return on Average Assets/RoAA	Return on average assets calculated as profit for the period after tax for the year divided by the average balance of total assets. The average balance of total assets is calculated as a two-point average from total assets as at the end of the reported year and prior year (31 December). MONETA uses the RoAA measure because it is one of the key performance indicators used to assess MONETA's rentability of assets
Return on Average Equity/RoAE	Return on average equity calculated as profit for the period after tax for the year divided by average Tier 1 equity. The average balance of Tier 1 equity is calculated as a five-point average. MONETA uses the RoAE measure because it is one of the key performance indicators used to assess MONETA's rentability of assets
Return on Equity/RoE	Return on equity calculated as profit for the period after tax for the period divided by total equity
Return on Tangible Equity/RoTE	Profit for the period after tax divided by tangible equity. MONETA uses the RoTE measure because it is one of the key indicators used to assess MONETA's rentability and performance

Risk adjusted yield (% avg. net customer loans)	Interest and similar income from loans to customers less net impairment of financial assets divided by the average balance of net loans to customers. MONETA uses this metrics to show interest generated on the loan portfolio separately without credit risk in relative terms to its average balance
Risk weighted assets/RWA	Risk weighted assets (calculated pursuant to CRR)
Tangible equity	Calculated as total equity less intangible assets and goodwill
Total NPL coverage	Ratio (expressed as a percentage) of total Loss allowances created for loans and receivables to customers to the amount of NPL receivables. MONETA uses the Total NPL Coverage measure because it shows the degree to which its non-performing loan portfolio is covered by total allowances created for credit losses
Total operating income after net impairment of financial assets	Calculated as total operating income less Net impairment of financial assets
Total shareholder return	Per Bloomberg methodology calculated as a ratio of difference between closing and opening share price to opening share price including reinvested dividend
Yield on net customer loans (% avg. net customer loans)/Loan portfolio yield	Interest and similar income from loans to customer divided by the average balance of net loans to customers. MONETA uses the yield on the net customer loans measure as it represents interest generated on the loan portfolio in relative terms to its average balance and is one of the key performance indicators of the lending activities

Children‘s group “Motýlci”

There is a children‘s group for the children of our employees at our Prague headquarters, which creates a beautiful and functional environment. We believe this will make it easier for parents of the youngest children to return to work and continue their careers.



We are MONETA

11. INFORMATION ABOUT CAPITAL AND CAPITAL REQUIREMENTS

Information according to Decree No. 163/2014 Coll., on the Performance of the Activities of Banks, Credit Unions and Investment Firms, as amended.

Information about Capital and Capital Requirements pursuant to Article 437 (1) (a) of Regulation (EU) 575/2013, as amended.

Capital

	Group		Bank	
(in CZK m)	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Capital	**31,648**	**33,583**	**32,838**	**34,180**
Tier 1 (T1) Capital	**25,091**	**26,334**	**26,281**	**26,931**
Common Equity Tier 1 (CET 1) Capital	25,091	26,334	26,281	26,931
Instruments eligible as CET 1 Capital	10,220	10,220	10,220	10,220
Subscribed CET 1 instruments	10,220	10,220	10,220	10,220
Retained earnings	16,446	17,281	17,550	17,803
Retained earnings from previous periods	15,748	16,680	16,269	17,022
Other reserve funds	102	102	102	102
Accumulated other comprehensive income	1	1	1	1
Items deductible from Tier 1 Capital	(1,917)	(1,830)	(1,821)	(1,732)
(-) CET 1 capital adjustments due to the application of prudential filters	(8)	(9)	(8)	(9)
(-) Value adjustments due to the requirements for prudent valuation	(8)	(9)	(8)	(9)
(-) Other intangible assets	(1,909)	(1,822)	(1,813)	(1,723)
(-) Other intangible assets - carrying amount	(2,411)	(2,225)	(2,287)	(2,103)
Deferred tax liabilities associated to other intangible assets	502	404	474	380
Other transitional adjustments to CET 1 capital	239	560	229	537
Tier 2 (T2) Capital	**6,557**	**7,249**	**6,557**	**7,249**
Subordinated liabilities	6,557	7,249	6,557	7,249

Figures in the table may not add up to the total due to rounding differences.

Information about Capital and Capital Requirements pursuant to Article 438 (c) to (f) of Regulation (EU) 575/2013.

A detailed overview of the development of the regulatory capital requirement is available in Chapter 3 “Capital and Liquidity” of this Annual Financial Report.

Capital Allocation

	Group				Bank			
(in CZK m)	31 Dec 2024 8%[1]	31 Dec 2024 14.05%[2]	31 Dec 2023 8%[1]	31 Dec 2023 15.1%[2]	31 Dec 2024 8%[1]	31 Dec 2024 14.05%[2]	31 Dec 2023 8%[1]	31 Dec 2023 15.1%[2]
Total capital allocation requirement	13,877	24,371	13,384	25,262	13,451	23,623	12,780	24,123
Capital allocation requirement for credit, counterparty credit and dilution risks and free deliveries	12,347	21,684	11,818	22,306	12,119	21,284	11,464	21,637
Standardised approach (SA) capital allocation requirement	12,347	21,684	11,818	22,306	12,119	21,284	11,464	21,637
SA exposure classes excluding securitisation positions capital allocation requirement	12,347	21,684	11,818	22,306	12,119	21,284	11,464	21,637
Capital allocation requirement to central governments or central banks	-	-	-	-	-	-	-	-
Capital allocation requirement to regional governments or local authorities	3	5	2	5	2	4	2	3
Capital allocation requirement to institutions	67	118	64	120	66	116	62	118
Capital allocation requirement to corporates	2,152	3,780	2,199	4,152	2,774	4,872	2,728	5,149
Capital allocation requirement to Retail exposures	4,990	8,763	4,587	8,658	3,867	6,791	3,436	6,485
Capital allocation requirement to public sector entities	1	1	1	1	1	1	1	1
Capital allocation requirement to exposures in default	182	319	168	318	150	264	140	265
Capital allocation requirement to items associated with particular high risk	20	36	14	26	20	36	14	26
Capital allocation requirement to equity exposures	184	323	180	340	541	951	537	1
Capital allocation requirement to covered bonds	12	21	-	-	12	21	-	-
Capital allocation requirement other items	396	695	394	744	386	679	380	718
Capital allocation requirement to exposures secured by mortgages on immovable property	4,341	7,623	4,208	7,942	4,299	7,550	4,164	7,859
Total capital allocation requirement to Operational Risk (OpR)	1,475	2,591	1,523	2,875	1,277	2,243	1,274	2,404
OpR Standardised/Alternative Standardised approaches capital allocation requirement	1,475	2,591	1,523	2,875	1,277	2,243	1,274	2,404
Capital allocation requirement for credit valuation adjustment risk	54	96	43	81	54	96	43	81
Capital allocation requirement for Credit valuation adjustment Standardised approach	54	96	43	81	54	96	43	81
Total capital allocation requirement for positions risk, FX risk and commodity risk	-	-	-	-	-	-	-	-

Figures in the table may not add up to the total due to rounding differences.

The capital allocation requirement is calculated as Risk-weighted assets for the given category (represented by the rows) multiplied by the given percentage (represented by the columns).

1 Based on article 438 point c) of Capital Requirement Regulation.

2 Based on the OCR = Overall Capital Requirement. The OCR comprises the Total SREP Capital Requirement (Pillar I and Pillar II Requirement) plus the combined buffer requirements (capital conservation buffer and countercyclical buffer).

Reconciliation of Accounting and Regulatory Capital

	Group		Bank	
(in CZK m)	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Accounting Equity	31,879	32,203	32,983	32,724
(-) Current year profit or loss	(5,808)	(5,200)	(6,391)	(5,380)
(+) Current year profit or loss eligible	698	601	1,281	781
(-) Intangible assets	(1,909)	(1,822)	(1,813)	(1,723)
(+/-) Other items	231	552	221	529
Common Equity Tier 1 (CET 1) Capital	**25,091**	**26,334**	**26,281**	**26,931**
Tier 2 Capital	**6,557**	**7,249**	**6,557**	**7,249**
Subordinated liabilities	6,557	7,249	6,557	7,249
Total Regulatory Capital	**31,648**	**33,583**	**32,838**	**34,180**

Capital ratios

	Group		Bank	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
CET 1 Capital Ratio	14.46%	15.74%	15.63%	16.86%
Tier 1 Capital Ratio	14.46%	15.74%	15.63%	16.86%
Total Capital Ratio	18.25%	20.07%	19.53%	21.40%

Other indicators

	Group		Bank	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Return on Average Equity (RoAE)[3]	22.4%	19.7%	23.4%	19.9%
Return on Average Assets (RoAA)[4]	1.2%	1.2%	1.4%	1.3%
Total operating expenses per employee (CZK thousand)[5]	1,703	1,659	1,708	1,670
Total assets per employee (CZK thousand)	199,993	183,788	200,068	183,779
Net profit per employee (CZK thousand)	2,347	2,086	2,670	2,243
Number of employees[6]	2,475	2,493	2,394	2,399

3 Calculated as a five-point average of Tier 1 regulatory capital.

4 Calculated as a five-point average of total assets.

5 Calculated as a sum of Personnel and Administrative expenses divided by the number of employees.

6 Average recalculated number of employees for the period (see note 11 in the Notes to the Consolidated Financial Statements and Notes to the Separate Financial Statements).

Země živitelka

MONETA is a long-term and permanent partner of Czech farmers. Every year, we meet at the international agrosalon Země živitelka. We were honoured to be part of this year‘s 50th anniversary edition, and we look forward to next year!



We are MONETA

12. FORWARD-LOOKING STATEMENTS

This Annual Financial Report may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements with respect to the management's medium-term guidance, profitability, costs, assets, capital position, financial condition, results of operations, dividend and business of the Group (together, "forward-looking statements").

Any forward-looking statements involve material assumptions and subjective judgements which may or may not prove to be correct and there can be no assurance that any of the matters set out in forward-looking statements will actually occur or will be realised or that such matters are complete or accurate. The assumptions may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside any control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors. Any forward-looking statement contained in this report is made as at the date of this report. The Bank does not assume, and hereby disclaims, any obligation or duty to update forward-looking statements if circumstances or management's assumptions, beliefs, expectations or opinions should change, unless it would be required to do so under applicable law or regulation. For these reasons, recipients should not place any reliance on, and are cautioned about relying on, any forward-looking statements.

12.1 MACROECONOMIC OUTLOOK[1]

The macroeconomic outlook for the Czech economy for the coming years is increasingly optimistic. The slow recovery experienced in 2024 should turn into decent economic growth. The CNB's February 2025 forecast expects the Czech economy's GDP to grow by 2% in 2025 and by 2.4% in 2026.

Next to household consumption, which was the key economic driver in 2024, the economy should in 2025 and 2026 be supported by recovering investments into gross capital and the activity of the domestic industrial sector. On the other hand, spending of the central government will be weaker, mainly due to consolidation of the state budget and the effort to push and to maintain the budget deficit below 3% of GDP.

Inflation is expected to remain within the tolerance band of the Czech National Bank, reaching 2.4% in 2025 and further dropping to the levels around the inflationary target of the CNB in 2026.

The labour market should remain stable with low unemployment at level below or around 3% in the next two years. The low unemployment rate will probably be reflected in elevated growth of average nominal wages, at least in 2025.

The base scenario for the Czech economy of a return to stable economic growth is not entirely without risk. The main risk lies in geopolitical developments, which evolves very quickly. The war in Ukraine and other geopolitical tensions might escalate and the political situation in the United States might result in global trade wars, negatively impacting European and domestic foreign trade. The Czech economy could face a new wave of difficulties that could end up in a prolonged period of economic stagnation or, in the worse case, in another economic recession

1 Source: CNB forecast published in February 2025 https://www.cnb.cz/en/monetary-policy/monetary-policy-reports/Monetary-Policy-Report-Winter-2025/.

12.2 MATERIAL ASSUMPTIONS FOR MEDIUM-TERM GUIDANCE FOR 2025–2029

A number of economic, market, operational and regulatory assumptions were made by MONETA in preparing the medium-term guidance (see below).

MONETA's medium-term guidance, which was published on 31 January 2025, relies on the internal macroeconomic outlook and projections derived from the CNB forecast published in November 2024[2]. The forecast expected GDP to return to moderate growth of around 2.4% annually in 2025. The inflation (Consumer Price Index) was expected to gradually return to the CNB's inflation target around 2% by 2026. The unemployment rate (ILO) was assumed to remain at or below the level of 3% in the 5-year period. The two-week repo rate was expected to gradually decrease to 3% in 2026.

Metrics	2025	2026	2027	2028	2029
GDP[2]	2.4%	2.4%	2.4%	2.5%	2.5%
Unemployment rate[2]	2.9%	3.0%	2.9%	2.8%	2.7%
Inflation projection (CPI)[2]	2.6%	2.2%	2.0%	2.0%	2.0%
Two-week repo rate[3]	3.3%	3.0%	3.0%	3.0%	3.0%
1M PRIBOR[3]	3.3%	3.1%	3.1%	3.1%	3.1%
CZK/EUR[2]	25.4	25.5	25.4	25.4	25.4

Based on the medium-term macroeconomic outlook presented above, MONETA assumes that the gross performing loan balance will grow at an annual rate of 5.2% while the customer deposit base is expected to grow at a CAGR of 2.7% over the next five years.

GROSS PERFORMING LOANS AND CUSTOMER DEPOSITS DEVELOPMENT ASSUMPTIONS[4]

(in CZK bn)	2024	2025F	2026F	2027F	2028F	2029F	2024-2029 CAGR
Gross performing loans							
Retail	183.1	188.6	193.0	201.4	213.8	226.7	4.4%
Commercial	92.8	99.8	105.7	113.4	121.0	128.0	6.6%
Total	**275.9**	**288.3**	**298.6**	**314.8**	**334.8**	**354.7**	**5.2%**
Customer deposits							
Retail	324.0	331.2	340.5	351.0	365.4	380.4	3.3%
Commercial	105.8	103.8	105.4	107.0	108.6	110.3	0.8%
Total	**429.8**	**435.0**	**445.9**	**458.0**	**474.1**	**490.8**	**2.7%**

Figures in the table may not add up to the total due to rounding differences.

2 Source: 2025–2026 CNB forecast published in November 2024 (https://www.cnb.cz/en/monetary-policy/forecast/cnb-forecast-archive/CNB-forecast-Autumn-2024/), 2027–2029 internal assumptions.

3 Source: Internal assumptions.

4 F – represents MONETA forecast for respective year.

Charity baking

Philanthropy and charity are part of our corporate culture. Each month, teams prepare a breakfast, which many of their colleagues then pay for to support a selected non-profit organisation. This year, MONETA employees contributed CZK 359,000 to the operation of the Ondrášek Mobile Hospice.



13. SUSTAINABILITY STATEMENT

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT LIMITED ASSURANCE REPORT

To the Shareholders of
MONETA Money Bank a.s.
Having its registered office at: Vyskočilova 1442/1b, Michle, 140 00 Prague 4

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement of MONETA Money Bank a.s. and its subsidiaries (hereafter the "Group") included in section Consolidated Sustainability Statement of the Annual Financial Report including the information incorporated in the Consolidated Sustainability Statement by reference, as disclosed in section 5.2 Incorporation by Reference (the "Consolidated Sustainability Statement") as at 31 December 2024 and for the year then ended.

Identification of Applicable Criteria

The Consolidated Sustainability Statement was prepared by the Board of Directors of the Company in order to satisfy the requirements of Article 32k of the Czech Accounting Act implementing 29(a) of the EU Directive 2013/34/EU, including:

- Compliance with the European Sustainability Reporting Standards introduced by Commission Delegated Regulation (EU) of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council ("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 1.8 Double Materiality Assessment; and
- Compliance of the disclosures in section 2.1.1 Disclosure requirements for the EU Taxonomy of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

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

In determining the disclosures in the Consolidated Sustainability Statement, management of the Group 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.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Responsibility of the Company's Board of Directors and Supervisory Board for the Consolidated Sustainability Statement

The Board of Directors is responsible for designing and implementing a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this process in note 1.8 Double Materiality Assessment of the Consolidated Sustainability Statement. This responsibility includes:

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

The Board of Directors is further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with Article 32k of the Czech Accounting Act implementing 29(a) of the EU Directive 2013/34/EU, including:

- compliance with the ESRS;
- preparing the disclosures in 2.1.1 Disclosure requirements for the EU Taxonomy of the Consolidated Sustainability Statement, in compliance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation");
- designing, implementing and maintaining such internal controls that management determines are necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

The Supervisory Board is responsible for overseeing the Group's sustainability reporting process**.**

Our Responsibility

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.

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.

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 to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

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

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

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note 1.8 Double Materiality Assessment.

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

- Obtaining an understanding of the entity'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;
- Designing and performing procedures responsive to 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.

Our Independence and Quality Management

We complied with the applicable 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.

We applied 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, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement.

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

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

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management; and
  - reviewing the Group's internal documentation of its Process;
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note 1.8 Double Materiality Assessment.

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

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by performing inquiries to understand the Group's control environment, processes and information systems relevant to the preparation of the consolidated sustainability statements;
- Evaluated whether material information identified by the Process to identify the information reported in the Consolidated Sustainability Statement is included in the Consolidated Sustainability Statement;
- Evaluated whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the ESRS;

- Performed inquires of relevant personnel on selected disclosures in the Consolidated Sustainability Statement;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Consolidated Sustainability Statement;
- Obtained evidence on the methods for developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement;

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with Article 32k of the Czech Accounting Act implementing 29(a) of the EU Directive 2013/34/EU, 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 is in accordance with the description set out in note 1.8 Double Materiality Assessment; and
- Compliance of the disclosures in 2.1.1 Disclosure requirements for the EU Taxonomy of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Other Matter

Our assurance engagement does not extend to information in respect of earlier periods.

In Prague on 19 March 2025

Audit firm:

Deloitte Audit s.r.o.
registration no. 079

Deloitte

Statutory auditor:

Miroslav Mayer
registration no. 2529

Mayer

CONSOLIDATED SUSTAINABILITY STATEMENT

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PREPARING FOR THE CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

Sustainability has a long tradition at MONETA Money Bank, a.s. (together with its subsidiaries hereinafter as "the Group" or "MONETA"). For the past three years, MONETA has published standalone sustainability reports that use the Global Reporting Initiative ("GRI") methodology, the Sustainable Development Goals ("SDGs") and that encompass the three ESG aspects – Environmental, Social and Governance. Following developments in European regulations, MONETA has gradually incorporated EU Taxonomy and other disclosure requirements based on ESG indices. With the arrival of the new Corporate Sustainability Reporting Directive ("CSRD"), the Sustainability Report again becomes an integral part of the Annual Financial Report. Using the double materiality assessment ("DMA") to identify the Group's material topics and the impacts, risks and opportunities ("IROs") stemming from them, MONETA presents this Consolidated Sustainability Statement (hereinafter the „Sustainability Statement") to fulfil the reporting requirements in line with the European Sustainability Reporting Standards ("ESRS").

1. SUSTAINABILITY EMBEDDED IN BUSINESS

1.1 GENERAL BASIS FOR PREPARATION

MONETA's Sustainability Statement has been prepared on a consolidated basis for the reporting period from 1 January 2024 to 31 December 2024, with the scope of consolidation being the same as for the financial statements prepared for the same period. No subsidiary undertakings included in the consolidation are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU.

The Sustainability Statement has been prepared in accordance with Article 32k of the Czech Accounting Act, which implements Article 29a of Directive 2013/34/EU, the report has been prepared in accordance with the European Sustainability Reporting Standards introduced by the Commission Delegated Regulation (EU) of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council.

The information provided in section 2.1 of the Sustainability Statement is in accordance with Article 8 of Regulation (EU) 2020/852 (hereinafter also the "Taxonomy Regulation").

The Sustainability Statement has been prepared in accordance with the European Sustainability Reporting Standards following the outcome of the Group's due diligence process and its materiality assessment and includes material impacts, risks and opportunities ("IROs") connected with the Group's own operations, upstream and downstream value chains, including the retail and commercial loan portfolios.

The Group has not used the option to omit a specific piece of information corresponding to intellectual property, know-how, or the results of innovation nor impending developments or matters in the course of negotiation.

This is the first time that MONETA has prepared a Sustainability Statement in accordance with ESRS requirements. If previous period data are disclosed, they are not subject to verification by the auditor.

No information stemming from other legislation requiring an undertaking to disclose sustainability information or from generally accepted sustainability reporting standards and frameworks is included in this Sustainability Statement.

Time horizons

In general, and in keeping with ESRS guidelines, MONETA assessed its material impacts, risks, and opportunities over the short, medium, and long term. The evaluation of climate-related risks and opportunities is incorporated into MONETA's internal risk management procedures. Due to the expected lifespan of its assets and infrastructure, MONETA employs slightly different time horizons compared to the ESRS definition. The short-term horizon is up to 3 years, the medium-term horizon covers 3 to 5 years, and the long-term horizon extends from 5 to 30 years, which aligns with established standards. These time horizons were used for the materiality assessment in order to evaluate climate-related risks and opportunities effectively. For financial materiality MONETA considers only short-term horizons, which are supplemented by time trends.

Disclosures incorporated by reference

Certain datapoints related to disclosure requirements covered in the Group's Annual Financial Report 2024 are incorporated by reference (see "Incorporation by reference" table in the Appendix).

Value chain

MONETA's upstream value chain primarily consists of suppliers, while the downstream value chain mainly comprises commercial and retail client loan portfolios. For details see section 1.6 Strategy, business model and value chain.

MONETA has utilised the phase-in option as outlined in ESRS 2, Appendix C: List of Phased-in Disclosure

Requirements. In Scope 3 emissions (financed portfolio), MONETA collects available carbon footprint data from its clients. For more details see section 2.2.8 Gross Scopes 1, 2, 3 and Total GHG emissions – Scope 3 emissions.

Accordingly, the Group disclosed required qualitative information related to the value chain in topical ESRS, specifically E1 (Climate change), E4 (Biodiversity), S1 (Own workforce), S4 (Consumers and End-users) and G1 (Business conduct).

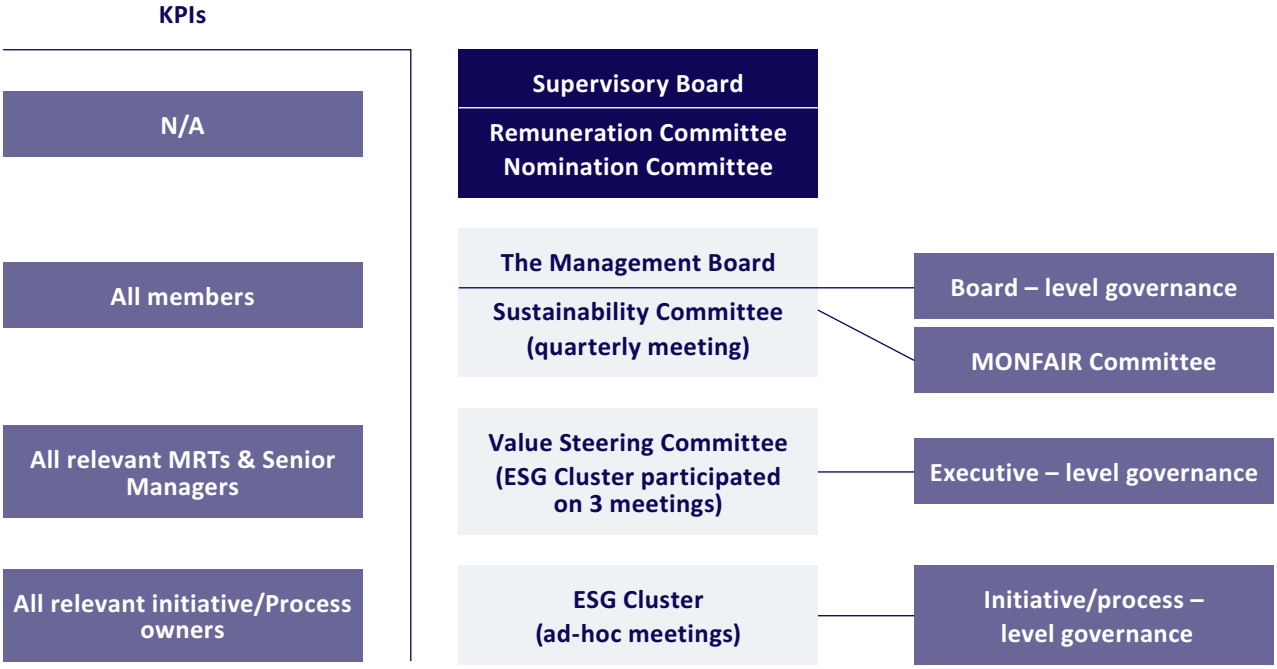
Sources of estimation and outcome uncertainty

Forward-looking statements contained in this report are based on current expectations and assumptions, which are themselves subject to inherent uncertainties and risks. Actual results may differ materially from those anticipated due to a variety of factors, including unpredictable market conditions, changes in regulatory environments, technological developments, economic volatility, operational risks, and external events such as geopolitical developments and natural disasters. Given these uncertainties, the projections provided should be considered with caution.

1.2 ESG CORPORATE GOVERNANCE FRAMEWORK

The Group discloses information regarding the composition and diversity of the members of its administrative, management and supervisory bodies in Chapters 4.1, 4.3, and 4.5 of its Annual Financial Report 2024, and in the Appendix of the Sustainability Statement. These include the composition and diversity of Supervisory and Management Boards.

In 2021, MONETA identified the need for incorporating ESG into its corporate governance. Subsequently, the ESG Cluster was established as the administrative body, with the Sustainability Committee guiding and overseeing its actions. Other bodies such as the Supervisory Board, the Remuneration Committee, the Nomination Committee, and the Value Stream Steering Committee have each integrated ESG into their daily operations.



The Supervisory Board is the senior authority and is kept informed about key sustainability issues as needed while overseeing the actions of the Management Board.

Sustainability Committee

The primary responsibility for monitoring ESG objectives, including impacts, risks, opportunities, and related targets, lies with the Management Board represented by the Sustainability Committee. The Committee was established in 2021. It oversees the assessment of the materiality of impacts, risks and

opportunities and the overall management of ESG risks across the Group. Within its remit, the Sustainability Committee can issue instructions to employees and members of the statutory bodies of the subordinate entities. The Sustainability Committee may receive assistance from internal or external experts, and preparatory sessions may be organised with a broader group of stakeholders, including external experts, before matters are discussed by the Committee. This Committee also decides or approves remedial measures in case of an undesirable development trend.

The Committee meets quarterly, and its responsibilities include:

(a) Ongoing review of the ESG Strategy, specifically with respect to climate-related issues, proposing updating and seeking the approval of the Group's Management Board;
(b) Reviewing the quarterly ESG reports against the set objectives of the ESG Strategy;
(c) Deciding on corrective actions in the event of adverse developments;
(d) Evaluating external influences and changes, including regulatory changes, relevant to the ESG area;
(e) Deciding on appropriate actions and informing other relevant management bodies and committees of the Group.

The Sustainability Committee makes decisions by a simple majority of the votes present at the meeting. The Sustainability Committee is quorate if half of its voting members are present at the meeting while also holding a simple majority of the votes of all voting members (including MONETA Stavební Spořitelna, a.s. Board members). In the event of absence, a voting member of the Sustainability Committee may delegate the exercise of his/her voting rights to another voting member.

As of September 2024, the Sustainability Committee had six voting members: Chief Executive Officer, or CEO, (Chairman), Chief Risk Officer (Vice-Chairman), Chief Financial Officer, Chief Operating Officer, Chief Commercial Banking Officer, Chief Retail Banking Officer, and four non-voting members: Director Human Resources, Director Compliance, Chief Shared Services Officer and Senior Manager Sustainability, Talent Acquisition & Development. Other managers or external experts may, on an ad hoc basis, be consulted or asked to present regarding a specific agenda point.

The CEO is ultimately responsible for the Sustainability Committee, for the agenda of the Committee and for delegating responsibilities over key areas to individual Sustainability Committee members. The members are subsequently responsible for their relevant agenda and may delegate agenda actions to individual ESG Cluster members. For details see Chapter 4.11.2.9 of the Annual Financial Report 2024.

Over the years, the Sustainability Committee has approved, mandated and requested further information on various issues and agenda points. For example, it has approved a plan to increase the number of electric cars in the fleet while simultaneously decreasing the number of combustion cars, asked for model calculation of the company's carbon footprint, and requested that the gender pay gap of individual divisions/departments be monitored on a regular basis. The Committee has also reviewed proposals for launching ESG/sustainable loans for small business and retail clients and has acknowledged the changes in ESG disclosures.

The Sustainability Committee is aware of the importance of ESG-related regulation, specifically Directive (EU) 2022/2464 of the European Parliament and Regulation 2020/852 (EU Taxonomy Regulation). Every quarter the Committee monitors and, if necessary, prepares appropriate actions to ensure adherence to the requirements. Its mission is to assist the Management Board in effectively implementing and overseeing all ESG-related and climate-related activities across MONETA.

To prepare for sustainability reporting under Directive (EU) 2022/2464, the Sustainability Committee reviewed and approved material topics, impacts, risks, and opportunities as part of MONETA's double materiality assessment. Completed in 2024 by MONETA and approved after an external review carried out by external advisors using industry benchmark in October 2024, this assessment formed the basis for updating MONETA's ESG Strategy, including steps to achieve ESG KPIs.

Other committees involved in ESG corporate governance

MONETA has other committees which function as the building blocks of its ESG corporate governance. The main ones are the Nomination Committee and Remuneration Committee, whose responsibilities are described in Chapters 4.11.1.1 and 4.11.1.2 of the Annual Financial Report 2024.

Diversity and inclusion are important material topics for MONETA. That is why the advisory committee for the Management Board, MON FAIR, was established to cover employee diversity, fair treatment and inclusion.

The Value Stream Steering Committee is responsible for approving the initiatives, which are the building blocks of changes within MONETA. In the process of preparing the Initiative Roadmap for each year, it reviews the initiatives in terms of cost/benefit, regulatory matters and ESG factors. The approved Roadmap is then

submitted to the Management Board for approval. Halfway through the year, the Value Stream Steering Committee checks on the progress of the approved initiatives and plans new initiatives where necessary incorporating all the above-mentioned aspects.

ESG Cluster

The ESG cluster was established in 2021. This is an agile team comprising members of the Sustainability Department and other teams and departments participating in the ESG agenda, especially those delivering ESG initiatives pursuant to MONETA's ESG Strategy. The ESG Cluster is headed by the ESG Cluster Owner, who is also a Senior Manager of Sustainability, Talent Acquisition & Development. The Owner is responsible for the ESG agenda and is accountable to the Management Board. The ESG Cluster gathers data for the calculation of the carbon footprint, informs the Management Board on the latest regulatory developments in the ESG area, and supports the ESG agenda within MONETA.

Three lines of defence

Proper management of ESG factors and risks at MONETA requires a holistic approach that is tightly integrated into three lines of defence. The first line of defence is provided through training, education and financial support to manage exposure to ESG factors and risks, while the focus is primarily on employees, suppliers, clients and the overall level of ESG risks to which the Group is exposed. MONETA has an Early Warning System as part of its first line of defence, which includes a dedicated employee for ESG/compliance matters, such as double materiality assessment, EU Taxonomy, CSRD, ESRS, and carbon footprint calculation. The Management Board receives regulatory updates on Early Warning System-related topics during the quarterly Sustainability Committee meetings. Where MONETA lacks the relevant expertise, external consultancy is sought to extend the ESG knowledge required.

The compliance function, which forms the second line of defence, is responsible for ensuring that MONETA complies with relevant ESG-related regulations. However, the ultimate responsibility for regulatory compliance lies with the first line of defence. This function integrates ESG-related topics into its monitoring and impact assessment processes. This function is provided by the Group's Compliance Department, which regularly informs and advises the Management Board on ESG regulatory developments and impacts in this context. Together with other regulatory functions, Compliance also assesses the potential impact of any ESG regulatory changes on MONETA's business. The second line of defence also includes a risk management function that similarly considers ESG aspects.

The third line of defence is MONETA's internal audit function: it integrates ESG considerations into its audit mission and regularly assesses the appropriateness and viability of MONETA's processes.

In 2024, after three comprehensive ESG-focused audits in 2023 covering ESG programme governance, carbon footprint agenda and Code of Ethics, the internal audit team continued in the set auditing strategy and reviewed 3 areas related to "Governance" aspects – a comprehensive audit of Compliance programme and function, IT Governance review and regular annual review of Management Remuneration. In all cases, the internal audit was passed successfully, and no material deficiencies were identified.

These and other key ESG areas will be audited by the internal team regularly, at least once every four years. For details see Chapter 4.12 of the Annual Financial Report 2024.

1.3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE INTO REMUNERATION

Key performance indicators known as ESG-related KPIs stemming from MONETA's ESG Strategy are integrated into the remuneration of the Management Board members, selected managers who are also Material Risk Takers ("MRTs") within the Group, and other employees responsible for individual activities through the variable remuneration component.

The general rules and principles regarding the remuneration of members of the Management Board and the Supervisory Board are outlined in the Remuneration Policy. The implementation of the ESG strategy is linked to the variable remuneration of the Management Board. This is reflected in qualitative KPIs, which account for 30% of the overall variable bonus. The targets are based on the business plan and approved by the Supervisory Board[1]. The KPIs and their achievement are assessed annually and are taken into account in the review for the following period. The detailed structure of targets and awarded remuneration is included in the Remuneration Report, which is updated annually. These documents are available on MONETA's investor website[2] in the section Corporate governance – Corporate documents.

1 Source: https://investors.moneta.cz/documents/12270853/20121822/mmb-new-kpi-2024-en.pdf.

2 Source: https://investors.moneta.cz/corporate-documents.

Details of metrics and targets of the Management Board and selected Key Executive Managers with ESG KPIs are listed below:

Chief Executive Officer:
Implementation of Environmental, Social and Governance strategy – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements including double materiality assessment, meeting the carbon reduction target and improving gender diversity.

Chief Risk Officer:
Implementation of Environmental, Social and Governance strategy – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements, including double materiality assessment, enhance data collection capabilities within the commercial underwriting and collateral valuation processes.

Chief Financial Officer:
Implementation of Environmental, Social and Governance strategy – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements including double materiality assessment. Maintain MONETA's rating by the MSCI index.

Chief Commercial Banking Officer:
Implementation of Environmental, Social and Governance strategy – deliver all tasks under the approved ESG strategy, supporting the fulfilment of regulatory reporting requirements, the ESG-related data collection and improving gender diversity.

Chief Operating Officer:
Implementation of Environmental, Social and Governance strategy - delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements including double materiality assessment. Meet the carbon reduction target.

Chief Shared Services Officer:
Implementation of Environmental, Social and Governance strategy – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements including double materiality assessment. Achieve an 83% reduction in carbon footprint compared to 2016 and maintain the share of electric cars at the 2023 level.

Chief Retail Banking Officer:
There were no KPIs related to sustainability determined for the Chief Retail Banking Officer due to his election as a Board member in September 2024.

1.4 STATEMENT ON DUE DILIGENCE

Sustainability Due Diligence is the process whereby MONETA identifies, prevents, limits and reports actual and potential negative impacts on the environment and people as a result of its activities. It also pertains to the practices applied to changes in the operation's strategy, business model, activities, business relationships, actual operations, and the context of acquisitions or divestments. The core of this practice is how the different steps in the Sustainability Due Diligence process identify and measure the negative impacts that arise or may arise due to operations and that are directly linked to its activities, products and services, as well as its business relationships across the value chain.

Core elements of due diligence	Sections in the Sustainability Statement
Embedding due diligence in governance, strategy and business model	1.5 – Risk management and internal controls and 1.6 – Strategy, business model and value chain
Engaging with affected stakeholders in all key steps of the due diligence	1.7 – Interests and views of stakeholders
Identifying and assessing adverse impacts	1.8 – Double materiality assessment
Taking action to address those adverse impacts	2.2.6 – Targets (related to Climate change), 2.3.5 –Targets (related to Biodiversity), 3.1.6 – Targets (related to Own Workforce), and 3.2.6 Targets (related to Consumers and end-users)
Tracking the effectiveness of these efforts and communicating	1.7 – Interests and views of stakeholders

1.5 RISK MANAGEMENT AND INTERNAL CONTROLS

ESG risk is the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of Environmental, Social or Governance-related factors on the Group's counterparties or invested assets.

MONETA is aware of the principal ESG risks that it is facing and understands them as drivers of existing financial risk categories, namely credit risk, market risk, operational risk, and liquidity risk, and therefore takes a holistic approach to ESG factors and risks. For details see Chapter 5.2.11 of the Annual Financial Report 2024.

MONETA is conducting an analysis of the principal ESG risks as drivers of existing risk categories and is identifying any subsequent possible business opportunities. The analysis is re-evaluated on a yearly basis and its findings are integrated within this strategy. The analysis and overall governance of ESG risks are overseen by the Board-level Sustainability Committee. In addition, MONETA has updated its risk catalogue

to cover climate-related and environmental risks and will continue to update the catalogue to include other ESG-related risks in line with the latest development of ESG risk methodologies.

MONETA understands the issues it is facing regarding the availability of relevant ESG data and is conducting data enhancement projects to gather all data required for ESG risk decision-making, particularly with respect to credit risk. From the second half of 2021 MONETA has been conducting projects for its loan portfolio to increase the availability of data on material ESG factors. In the first stage, MONETA primarily focuses on its financed emissions as it will use them to measure transition risk.

MONETA considers credit risk within its banking book to be the most materially impacted by ESG factors as it is assumed to have the largest impact on MONETA's business and directly affects the majority of MONETA's portfolio. MONETA's planned assessment of ESG risks currently encompasses climate-related and environmental transition and physical risks.

To integrate the aforementioned risks within the Risk Appetite Statement, Book of Limits and relevant internal policies, MONETA has segmented its loan portfolio into different NACE sectors and is developing, monitoring and analysing individual financed ESG risk indicators for transition and physical risks, which will be subsequently integrated within MONETA's risk appetite. MONETA is planning on using financed greenhouse gas emission intensity measures as an indicator of transition risk. MONETA's quantitative goals, KPIs, and limits with respect to transition risk will subsequently be linked to the carbon intensity of its loan portfolio; the specific targets, goals and limits will be set in compliance with relevant regulations after MONETA conducts the analysis of its portfolio.

MONETA's active approach to ESG risks is proportional to the size of its exposures within the loan portfolio. MONETA implemented an ESG scorecard (as part of the Commercial Individually Managed rating tool) within its loan approval process to assess the ESG risk level of selected large corporate counterparties. MONETA will measure and monitor the overall ESG rating of the concerned portfolio with the aim of gradual improvements, in line with the overall ESG strategy targets.

MONETA has defined a list of sectors that can be served only in exceptional cases and under the condition of approval by the Credit Committee as a top-level credit approval authority, such as gambling, waste treatment, mining, oil & gas extraction, nuclear power, the production, use and trade of asbestos and other environmentally dangerous substances, and any business with genetically modified organisms. MONETA regularly assesses the list of these sectors and incorporates ESG-related criteria within the review.

Also, MONETA performs Anti Money Laundering checks of all larger commercial credit clients and escalates decisions to higher approval authorities in case they are involved in significant public controversies that could pose a material negative reputational risk to MONETA.

MONETA will also conduct efforts to incorporate ESG risks into collateral management in the loan approval and monitoring process, with a primary focus on physical risks for loans collateralised by real estate. MONETA actively engages in gathering new data for such purposes, starting with collecting energy labels of pledged real estate.

MONETA limits its counterparties on financial markets by using a list of counterparties that is agreed to and ratified according to MONETA's credit underwriting policies. MONETA currently mostly invests in the Czech government and sovereign fixed-income debt. The list of counterparties is revised on an annual basis and MONETA plans to include ESG-related criteria within the approval process of counterparties. MONETA's assessment of ESG risks in the trading book will follow the above-mentioned principles as it creates exposures in the trading book only for the purpose of providing commercial customers with tools to hedge Foreign Exchange risk.

MONETA considers ESG factors and risks as drivers of operational risk, specifically transition and physical climate-related and environmental risks and negative reputational risks. MONETA had identified these risk drivers as the most material operational risk drivers by means of a qualitative materiality assessment. Also, MONETA regularly identifies ESG risk factors in its operations during the annual Risk & Control Self-Assessment ("RCSA") process.

Potential negative reputational risks are mitigated by decreasing the environmental footprint of MONETA's operations and improving its ESG profile. MONETA aims to satisfy this goal by becoming a leader in digital banking services and increasing the efficiency of its operations. MONETA aims to reduce its carbon footprint by 90% in Scopes 1 and 2 by the end of 2026 and to comply with the relevant sustainability-related regulation (for details see section 2.2 Climate Change).

To limit the exposure towards climate-related and environmental risks as drivers of operational risk, MONETA aims to screen its suppliers for environmental and social risks to ensure compliance with MONETA's standards and mitigate transition risks within its supply chain. Furthermore, MONETA aims to decrease its overall carbon footprint, which should lead to a decrease in its transition risk exposure.

The Group is exposed to risks associated with

incomplete or inconsistent reporting on sustainability topics, including risks associated with greenwashing. There are also risks related to the accuracy of data inputs and manual errors in the reporting process from aggregating data from multiple systems into the corporate disclosure management system.

For more detail concerning ESG corporate governance structure and the three lines of defence see section 1.2 ESG Corporate governance framework.

1.6 STRATEGY, BUSINESS MODEL AND VALUE CHAIN

MONETA is a holding consisting of the parent controlling company MONETA Money Bank, a.s. and its controlled subsidiaries: MONETA Stavební Spořitelna, a.s., MONETA Auto, s.r.o. and MONETA Leasing, s.r.o., all operating in the financial services and insurance segment. For a detailed description see Chapter 2.3 of the Annual Financial Report 2024.

MONETA operates solely in the Czech Republic, serving 1.6 million retail and commercial customers through an extensive nationwide network of 124 branches, 557 ATMs within a network of 1,966 shared ATMs. The Group has a particular strength in smaller cities and towns, which are relatively under-served by other banks. MONETA also benefits from its market-leading digital banking platforms, which are becoming increasingly important channels for both sales and services.

The value chain for MONETA, in the context of the ESRS, includes all activities, resources, and relationships involved in delivering banking services from conception to end-of-life. Below is a breakdown of the key components:

Upstream Activities

These encompass all activities related to sourcing and procurement of resources necessary for banking operations:

- Suppliers and vendors: Providers of IT infrastructure, office supplies, and other essential services.
- Capital providers: Investors and financial institutions providing capital.

Core Banking Operations

These are the primary activities directly related to the Group's core functions:

- Customer services: Account management, loans, mortgages, and investment services.
- Risk management: Assessing and managing financial risks.
- Human resources: Recruitment and training of employees.
- Compliance and reporting: Ensuring adherence to regulatory requirements, including ESRS.

Downstream Activities

These involve the delivery of services to end-users and the broader impact of these services:

- Customer interaction: Branch services, online banking, and customer support.
- Community engagement: Corporate social responsibility initiatives and community investments.
- End-of-Life: Closure of accounts, termination of services, and data management.

MONETA purchases goods and services from suppliers mainly in the areas of information technology, marketing and advertising, cash and non-cash payments, legal and consulting services, telecommunications, energy, postal services, construction work, and building rental for its branches. MONETA actively cooperates with about 700 suppliers, with approximately 85% of the allocated expenditure going to domestic suppliers. The remaining suppliers are primarily based in the European Union, the UK and North America. Cooperation with foreign suppliers (EU or non-EU) is only established when it is not possible to find a supplier of the required service or product on the local market.

MONETA's business (related to its own operations and downstream) is organised into two main segments: retail and commercial, with an established position in household financing and a growing share of the small business segment. The retail segment focuses on deposits, loans, revolving products, credit cards, mortgages, building savings and other transactions with private individuals. The commercial segment consists of deposits, investment loans, revolving products, financing of real estate, finance leases and other services related to transactions with small and medium-sized enterprises, corporate clients, financial institutions, and public sector institutions. Services are provided through digital channels, the branch network and the contact centre.

In the retail segment the Group is particularly focused on mortgages and consumer loans, in the commercial sector its largest exposure is to agriculture, real estate and the services sector. On the other side of its balance sheet the Group invests primarily in government bonds. For details see Chapter 2.3 of the Annual Financial Report 2024 and Notes 23. Loans and Receivables to Customers, 24. Investments in Securities, 44.2.5 Credit Concentration Risk of the Notes to Consolidated Financial Statements.

The main impacts identified in these sectors include higher climate risks and the erosion of biodiversity. On this basis, the Group decided to focus its action on climate change mitigation and biodiversity preservation to pursue its target-setting strategy. They are supported by the Group's willingness to monitor its positive impact and support for its clients.

In 2024 MONETA generated CZK 8,919 million of revenues from interest and other similar income (financial service activities, except insurance and pension funding, NACE K64), consistent with the disclosure presented in its financial statements. The Group does not generate revenues other than from financing activities, specifically it is not active in the fossil fuel sector as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and the Council), the chemical sector as under Division 20.2 of Annex I to Regulation (EC) No 1893/2006, controversial weapons under Division 20.2 of Annex I to Regulation (EC) No 1893/2006, and is not active in the cultivation and production of tobacco.

MONETA's ESG Strategy is based on a commitment to running its business ethically, including its relationships with key stakeholders to promote a healthy, agile, open and diverse corporate culture based on mutual trust, cooperation, recognition and transparency.

The success of MONETA's business strategy relies on its people. As of 31 December 2024, MONETA had 2,587 employees (headcount), the majority of them being its own employees. As such, the Group identified impacts on its workforce, including working conditions, training and skills development, and equal treatment and opportunities for all, as the main areas of focus.

MONETA's business activities can have an impact on its clients, the quality of their lives and the success of their businesses. MONETA aims to be the leading innovative financial services organisation in the Czech Republic, including providing digital and sustainable financing, and to be perceived as such by its customers and the communities in which it operates. This naturally includes building trusting and long-term relationships.

As a bank with a long history of financing the agriculture sector, MONETA supports investments in farming innovation and various agriculture-related environmental measures. It seeks ways to increase farmers' awareness of the importance of biodiversity and to highlight the importance of independence in terms of energy efficiency, innovative solutions, and technology.

MONETA aims to align its ESG Strategy and approach with the EU's sustainable finance taxonomy and its methodology for assessing selected industries. Some clients might experience heightened social, climate, and environmental impacts, which could lead to increased credit risk for the Group and so it might be unable to provide financing for them. Failing to meet MONETA's sustainable finance commitments could also result in greater reputational risk.

Going forward, the Group will further integrate the sustainability transition into its business models, leveraging its current exposures and sector knowledge.

1.7 INTERESTS AND VIEWS OF STAKEHOLDERS

Defining material issues through stakeholder engagement, both internally and externally, is crucial for sustainability. Conducting materiality analysis helps MONETA to maintain trust and to manage reputational risk. By identifying what matters most to stakeholders and improving risk management, MONETA can act responsibly, create better products and gain loyal customers. MONETA therefore continuously incorporates feedback from its stakeholders. However, at this stage there are no plans to amend its strategy and/or business model.

In the area of sustainability, MONETA identified key stakeholders to participate directly in the double materiality assessment through the questionnaire described in section 1.8 – Double materiality assessment. They included shareholders, the Management Board, Key Executive Managers, the Supervisory Board, selected employees, ESG Cluster members, and ESG Experts. The ESG Experts comprised a mix of regulators, ESG consultants and suppliers, NGO representatives, academia, and rating agencies, all of which have direct connections to MONETA. The selection of stakeholder groups was based on their expertise and knowledge of ESG in the financial sector.

Regular stakeholder engagement is facilitated through multiple channels, including routine client and employee surveys, regular communication with shareholders, and transparent reporting to all the aforementioned internal and external stakeholders. Communication strategies with affected stakeholders are detailed in the respective chapters of this report under topical ESRS disclosures S1, S4, and G1.

The Investor Relations Department communicates shareholders' views to MONETA's administrative, management, and supervisory bodies. Other stakeholders can share their opinions through the MONQuest survey (employees and ESG Cluster), MONETA Clementia Foundation (NGOs), and MONETA's Communication Department (ESG experts).

MONETA maintains frequent communication with all of these stakeholders via the channels in the table below.

Key stakeholders included in the materiality assessment

Key Stakeholders	Engagement Methods	Frequency	Purpose
Shareholders	• Annual General Meeting • Investor Calls • Financial results presentation • Roadshow • Investor conferences • Questionnaires • Newsletter	• Annually • Upon request • Quarterly • Upon request • Ad hoc	• ESG Ratings • Cyber security • AML & Anti-Fraud • ESG performance and KPIs • Climate-related risks • Sustainability performance • CSRD
Management Board & Key Executive Managers & Supervisory Board	• Sustainability Committee • MON Fair Committee • Value Stream Steering Committee • Management Board Meeting	• Quarterly • Monthly • Weekly	• ESG Rating • EU Taxonomy • Gender equality • ESG Risk Appetite Statement • Carbon footprint • Sustainability Statement • Sustainability updates • Diversity & Inclusion • Non-financial statements & ESG KPIs • ESG initiatives development
Selected Employees & ESG Cluster	• ESG Cluster meeting	• Quarterly • Ad hoc	• ESG Rating • EU Taxonomy • Carbon footprint • Sustainability Statement • ESG initiatives development
ESG Experts	• Questionnaire	• Ad hoc	• Double materiality assessment
NGOs	• Questionnaire	• Ad hoc	• Double materiality assessment

Key users of the Sustainability Statement

Key Stakeholders	Engagement Methods	Frequency	Purpose
Clients	• Client Satisfaction Survey • Individual client meetings • Client contact centre • Client Ombudsman • MONETA Clementia Foundation • Digital Channels • Social Media	• Ad hoc	• EU Action Plan on Sustainable Finance • Code of Ethics • Gender Equality • Client satisfaction • Cyber security • AML & Anti-Fraud • Access to products/services • Sustainable business solutions • Responsible lending
Suppliers	• ESG Questionnaire • In-depth reviews • Individual meetings	• Upon request	• Code of Ethics • Anti-corruption measures • Carbon footprint
Regulators	• European Commission • European Banking Authority • European Insurance and Occupational Pensions Authority • European Securities and Markets Authority • Czech National Bank • Czech Banking Association • Financial Intelligence Office • State Labour Inspection Office • National Cyber and Information Security Agency • Office for Personal Data Protection • Financial Arbitrator • Ministry of the Interior of the Czech Republic • Ministry of Finance of the Czech Republic • Office for the Protection of Competition	• Ad hoc	• Implementing Acts of the EU • Regulatory technical standards and guidelines in banking • Regulatory technical standards and implementing technical standards in insurance and occupational pensions • Advice and consultation papers on greenwashing and sustainable development • Supervisory opinions and guidelines Codes and standards: Sample ESG questionnaire • Supervision on anti-money laundering policies and activities • Supervision of the protection of workers' rights and work safety • Cyber security, including the protection of information and communication systems and cryptographic protection • Personal data processing supervision • Out-of-court protection of clients' rights • Issuing electronic identities to clients • Assessment of information for the purposes of building savings, especially in the case of non-citizens • Supervision of competition and mergers and acquisitions
Local Communities	• Grant Programme • MON HELP initiative • Partnerships • Charity events	• Annually • Upon request • Continuously	• Circular economy • Financial literacy • Nature protection • Support of the civic society • Support of disadvantaged adults, children and the elderly
Media	• Press releases • Interviews • Podcasts • Press conferences • Press inquiries	• Continuously	• All topics relevant to local communities, suppliers, clients and shareholders, partly employees

1.8 DOUBLE MATERIALITY ASSESSMENT

The double materiality assessment aims to identify the material sustainability impacts, risks, and opportunities ("IROs") the Group is causing or is exposed to relating to its operations and the value chain. A sustainability matter is classified as material when it fulfils the criteria for material impact, exceeds the financial materiality threshold, or both.

MONETA carried out a double materiality assessment in 2024 based on the methodology described in the final version of the European Sustainability Reporting Standards ("ESRS") as contained in Commission Delegated Regulation (EU) 2023/2272 supplementing Directive 2013/34/EU as regards sustainability reporting standards. This process is an extension of a double materiality assessment previously conducted under the GRI guidance. The sustainability matters considered in this assessment are those set out in the ESRS.

The assessment was conducted using the information available to MONETA at the time of the assessment and consulting its key stakeholders, as well as internal and external experts. Judgement was applied to determine the material IROs.

Quantitative data (where possible) were taken into consideration to assess the IROs more comprehensively. Specifically, MONETA used input data and the results of carbon footprint calculations to estimate impacts on the environment and data from various internal departments, such as Human Resources and Compliance. Stakeholder input was used to complement data-based analysis. This also included MONETA's external ESG ratings from MSCI, Sustainalytics, Bloomberg Gender Equality Index, CDP, FTSE4Good, S&P Global and ISS ESG.

MONETA assessed impact materiality and financial materiality separately. The starting point was the impact assessment (inside-out) of its impacts on the environment and society, which builds on how MONETA previously identified and assessed the sustainability-related impacts of its own operations and value chain.

For the financial materiality assessment, risks and opportunities stem from identified impacts and are also derived from external dependencies, such as expected climate transition pathways and associated investment risks.

MONETA followed the recommended methodology of ESRS for financial materiality, which states that companies should identify impacts and dependencies that could trigger risks or opportunities. Therefore, any impact that was rated as material from the impact perspective was included as a potential trigger of reputational or regulatory risk. Dependencies were identified separately based on desk research and internal discussions with cross-functional teams.

To help with the assessment of risks, MONETA leveraged its key risk management processes across the Group (for details, see Chapter 5 of the Annual Financial Report 2024 and Chapter 44 of Notes to Consolidated Financial Statements) and external data sources such as the Sustainability Accounting Standards Board ("SASB"). Financial opportunities were informed by MONETA's internal forecasts and supplemented with industry research.

Each of the IROs was assessed in the context of MONETA's upstream value chain (supply chain), own operations and downstream value chain (portfolio). Time horizons taken into consideration were in line with the ESRS 1 General requirements.

Based on industry research, financial institutions' IROs predominantly stem from their financing activities. Therefore, particular attention was paid to the assessment of the Group's retail and commercial portfolio, especially to the agriculture and real-estate sectors, and to residential mortgages.

The Group followed these four steps to assess the materiality of sustainability matters:

1. Identification of relevant sustainability matters via context and value chain analysis

The Group analysed both the internal and external sustainability environment, considering its business model, value chain and stakeholders. Besides analysing relevant internal and external documentation, those responsible for the Group's most important business areas were consulted. Stakeholders were asked to rate MONETA's positive or negative contribution to the ten sustainability topics covered by the ESRS and were required to provide comments to explain their ratings. In addition, stakeholders were given open-ended questions to ask them to elaborate on additional topics, ideas or areas for improvement of MONETA's ESG approach. In total 36 responses (out of 99 sent) were returned. The ratings and comments of stakeholders were used to identify potential material impacts to be assessed in the double materiality assessment.

Moreover, existing stakeholder information on sustainability topics raised in ongoing stakeholder engagement (e.g. employees and clients surveys) and the due diligence process (e.g. suppliers ESG surveys and ESG ratings) was gathered. The mapping of the value chain was done to the degree possible using in-house data and industry knowledge.

The result of the contextual analysis performed in the previous step led to a set of impacts, risks and opportunities that were mapped to ESRS topics, subtopics, and sub-subtopics as referenced in ESRS 1, Appendix B, AR 16, adding additional topics specific to the Group, and creating a longlist of all potentially relevant topics. The output of this phase was a longlist of sustainability topics and subtopics and associated IROs for further analysis.

The longlist was narrowed down to a shortlist of topics with identified IROs that occur or could potentially occur. This involved screening each topic on the longlist with internal documentation and holding working sessions with relevant internal stakeholders.

The internal sources that were screened and leveraged included external sustainability topic studies from reputable third parties, Group internal policies, strategy documents, credit exposure information, due diligence process documentation, and employee and client surveys.

2. Assessment of potential material impacts, risks and opportunities

The impacts, risks and opportunities identified in the previous step were assessed from both an impact and a financial perspective using an in-house methodology based on the guidelines of the ESRS. This methodology involved assigning numeric scores to each of the assessment criteria required by the ESRS and combining these into a total materiality score for both impact and financial materiality.

The severity of the impact (scale, scope, and whether irremediable) and the likelihood of the impact to occur was assessed on a scale of 0 to 5. For current negative impacts, materiality is based on severity, while for potential negative impacts, it is based on the severity and likelihood of the impact. For positive impacts, materiality is based on the scale and scope for actual impacts and the scale, scope and likelihood for potential impacts. Financial materiality was evaluated based on the magnitude and likelihood of occurrence and was assessed on a scale of 0 to 3. Individual numeric scores were calculated as shown in the table below.

			Scale		Scope		Remediability		Likelihood		Final score
IMPACT	Potential negative impact	=	(5) to 0	+	(5) to 0	+	(5) to 0	–	(3) to 0	=	(15) Highest materiality score of negative impacts
	Actual negative impact	=	(5) to 0	+	(5) to 0	+	(5) to 0			=	
	Potential positive impact	=	0 to 5	+	0 to 5			–	0 to 3	=	10 Highest materiality score of positive impacts
	Actual negative impact	=	0 to 5	+	0 to 5					=	

			Magnitude		Likelihood		Final score
FINANCIAL	Risk	=	(3) to 0	×	3 to 0	=	(9) Highest materiality score of risks
	Opportunity	=	3 to 0	×	3 to 0	=	9 Highest materiality score of opportunities

The scoring process was conducted by internal and external experts and validated during a series of internal workshops with cross-functional teams while using the outcomes of various engagement channels to support the argumentation.

3. Determination of material sustainability matters

Under the used scoring methodology, the maximum achievable score for negative impacts was (15), for positive 10 and for risks (9) and opportunities 9. MONETA's Management Board agreed on the following materiality thresholds:

	HIGH	MEDIUM	LOW
Actual negative impact Potential negative impact	≤ (11)	(9)-(10)	≥ (8)
Actual positive impact Potential positive impact	≥ 9	7-8	≤ 6
Risk	(9)	(6)-(8)	≥ (5)
Opportunity	9	6-8	≤ 5

MONETA considers impacts, risks and opportunities assessed only as "high" to be material.

4. Oversight and validation of materiality

The validation of the double materiality assessment took place in two steps. First, the results were cross-checked with various experts and with those who participated in the process. The results were then validated by MONETA's Chief Executive Officer and Management Board in order to ensure a thorough overview and alignment with the Group's strategy and priorities. Second, an external review with advisors was carried out, which incorporated industrial benchmarks. Based on this review, the Management Board approved the final topics and the resulting list of material impacts, risks and opportunities.

The Group has a separate risk assessment approach for non-sustainability-related risks, such as credit risk, that is however linked to sustainability risks. Because of these correlations, sustainability-related risks are integrated into standard MONETA risk management.

1.8.1 Disclosure of topics assessed not to be material

Based on the assessment described in section 1.8 Double Materiality Assessment, MONETA has identified the topical standards that are not considered to be material. The explanation can be found in the table below.

Standard	Explanation
E2 - Pollution	While MONETA's exposure to the agricultural sector does generate a certain amount of greenhouse gases, these are covered by the Scope 3 within the E1 – Climate Change topical standard. The IROs resulting from this standard have, therefore, been considered not material following the final double materiality assessment.
E3 - Water and marine resources	MONETA does not have any material exposure towards water or marine resources or companies handling them in any significant way. As a banking institution, its use of water resources is negligible and use of marine resources non-existent. There are no IROs resulting from this topical standard.
E5 - Circular economy	While the resource use by some companies financed by MONETA may be deemed unsustainable, the potential IROs stemming from this are covered by the E1 – Climate Change Mitigation topical standard. There are no IRO's tied to this particular standard for MONETA.
S2 - Workers in value chain	MONETA is not a production or manufacturing company. Its products and services are largely sustained by its own workforce. In addition, its suppliers are predominantly located in the Czech Republic, where strict labour rules are enforced. There are no material IROs resulting from this standard based on the double materiality assessment.
S3 - Affected communities	While MONETA strives to support various non-profit organisations and local communities on a continuous basis, which might generate potential impact or opportunities, the scope and scale of such support does not exceed the materiality threshold according to the double materiality assessment. There are no identified material risks either.

Once material matters were identified, the undertaking determined the information to be reported on the material matters (ESRS 1 paragraph 30). Disclosure requirements and data points that are linked to material sustainability matters were determined using information collected as part of the materiality assessment and data collected for the purpose of ESRS reporting, and matters that were deemed not applicable to the industry or otherwise not relevant are not reported.

1.9 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The following tables list the sustainability related IROs that MONETA has identified and assessed as material as a result of the double materiality assessment process. MONETA's material topics include: E1 – Climate change, E4 – Biodiversity, S1 – Own workforce, S4 – Consumers and End-users and G1 – Business conduct. Disclosure of anticipated financial effects of material risks and opportunities on financial position, financial performance and cash flows over short-, medium- and long-term was left out due to the use of phase-in period.

E1 – Climate change

	Own operations/ Value chain	Description	Response
Climate change mitigation			
GHG emissions (Scope 1, 2 and 3)			
Negative actual impact	Own operations	Activities associated with everyday operations such as running offices, retail branches, travel and communing generate GHG emissions, which in turn contribute to climate change.	Implementation of energy efficiency measures, purchase of certificates, and purchase of electric vehicles.
	Downstream	Activities associated with the investments, loans, and underwriting activities indirectly contribute to the generation of GHG emissions, so called financed emissions, which in turn contribute to climate change.	Quantifying financed emissions and using them as a proxy for climate risk transition plan.
Time horizons	**Medium and long-term**		

E4 – Biodiversity and ecosystems

	Own operations/ Value chain	Description	Response
Direct impact drivers of biodiversity loss			
Investments in land modifying activity - agriculture			
Negative actual impact	Downstream	Activities associated with the investments, loans, and underwriting activities to companies operating in the agriculture sector that are engaged in intense farming (usage of fertilisers, pesticides, mechanisation and expansion of agriculture to previously wildland), indirectly contribute to biodiversity loss.	Quantifying impacts and using them as a basis for mitigation plans. Compliance with regulatory disclosure requirements and relationship management.
Time horizons	**Short, medium and long-term**		

S1 – Own workforce

	Own operations/ Value chain	Description	Response
Working conditions			
Flexible working hours, Additional time off and Parental support programmes			
Actual positive impact	Own operations	Flexible working hours, the possibility to work remotely, and/or take additional time-off, improve employee adaptability and promote employee loyalty. It also potentially results in less stress and good mental health. Support programmes for working parents and informal carers.	Commitment to continue to develop the current strategy.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Equal treatment and opportunities for all			
Training and skill development			
Actual positive impact	Own operations	Investing in training and development programmes for employees can boost their personal and career development, increase their income, improve their socio-economic position, their overall job satisfaction and their sense of professional fulfilment.	Commitment to continue to develop on current strategy.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Equal treatment and opportunities for all			
Gender equality and equal pay for work of equal value			
Actual positive impact	Own operations	Upholding policies that promote gender equality and diversity such as equal pay, maternity and paternity leave enable employees the ability to live free from gender and other inequalities, experience access to equal opportunities and responsibilities, and to earn equitable pay regardless of gender.	Commitment to continue to develop the current strategy.
Time horizons	**Short, medium and long-term**		

S4 – Consumers and End-users

	Own operations/ Value chain	Description	Response
Information-related impacts for consumers and/or end-users			
Access to quality information			
Actual positive impact	Own operations, downstream	Providing clear and transparent information about offered products enables existing and potential clients to make informed choices.	Continuous implementation of robust policies and procedures to ensure transparency.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Personal safety of consumers and end-users			
Cybersecurity (Entity-specific subtopic)			
Negative potential impact	Own operations, downstream	Investing in training and development programmes for employees can boost their personal and career development, increase their income, improve their socio-economic position, their overall job satisfaction and their sense of professional fulfilment. .	Continuous implementation of robust cybersecurity and data protection measures, along with awareness campaigns.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Personal safety of consumers and end-users			
Cybersecurity (Entity-specific subtopic)			
Risk	Own operations	Despite cyber-protection measures, cybersecurity remains a risk for banks due to the constantly evolving nature of cyber threats, which can outpace security updates and exploit even small vulnerabilities in systems, increasing the frequency and sophistication of cyberattacks may increase the likelihood of security breaches, which may lead to reputation damage and fines.	Continuous implementation of robust cybersecurity and data protection practices.
Time horizons	**Short, medium and long-term**		

G1 – Business conduct

	Own operations/ Value chain	Description	Response
Protection of whistleblowers			
Protection of whistleblowers			
Potential negative impact	Own operations, upstream, downstream	The occurrence of corruption and bribery events, notorious corporate culture and insufficient whistleblower protection may have significant negative effects on society, economies, and individuals, including clients and employees as failure to implement/prevent can erode trust in institutions and undermine the rule of law.	Continuous implementation of robust policies and procedures to ensure compliance.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Corruption and bribery			
Prevention and detection including training			
Potential negative impact	Own operations, upstream, downstream	The occurrence of corruption and bribery events, notorious corporate culture and insufficient whistleblower protection may have significant negative effects on society, economies, and individuals, including clients and employees as failure to implement/prevent can erode trust in institutions and undermine the rule of law.	Continuous implementation of robust policies and procedures to ensure compliance.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Corporate culture			
Systemic risk management			
Opportunity	Own operations	Effective management of systemic risks is crucial to maintaining the Group's stability, resilience, and operational continuity, impacting the entire organisation. Considering the complexity of financial markets, proactive systemic risk management is both necessary and likely to have significant effects.	Managing systemic risks is essential to the Group's stability, resilience and operations, affecting the entire organisation. Given the complexity of financial markets, active systemic risk management is highly likely to be necessary and impactful.
Time horizons	**Short, medium and long-term**		

	Own operations/ Value chain	Description	Response
Corporate culture			
ESG criteria in operations and value chain			
Potential negative impact	Own operations, downstream	Incorporating ESG factors into credit analysis and lending decisions not only benefits banks by enhancing risk management and compliance but also contributes to broader societal goals of sustainability and social responsibility.	Commitment to continue to build on the current strategy.
Time horizons	**Short, medium and long-term**		

2. DRIVING POSITIVE CHANGE FOR THE ENVIRONMENT

MONETA's environmental section covers topical standards E1 – Climate change and E4 – Biodiversity as well as EU Taxonomy. The Group's environmental activities started in 2016 with the calculation of its own carbon footprint. In 2021, MONETA made its first qualitative disclosure of EU Taxonomy which has been growing in scope and data accuracy ever since.

2.1 TAXONOMY-ALIGNED KPIS

The EU Taxonomy is a classification system that provides companies, investors and legislators with criteria for determining whether an economic activity can be considered environmentally sustainable. Its main objectives are to increase investor confidence, protect private investors from greenwashing, help companies become more climate-friendly, reduce market fragmentation, redirect investments towards environmentally sustainable activities, and thus help the EU implement the European Green Deal.

Regulation (EU) 2020/852, as specified in Annexes V and XI of Commission Delegated Regulation (EU) 2021/2178 (the EU Taxonomy Regulation), establishes the basis for the EU Taxonomy by setting out four conditions that economic activity must meet to qualify as environmentally sustainable. An economic activity therefore qualifies as environmentally sustainable if it:

- Contributes substantially to one or more environmental objectives (see below);
- Does not significantly harm any of the environmental objectives (see below);
- Is carried out in compliance with minimum safeguards; and
- Complies with technical screening criteria.

The EU Taxonomy Regulation sets out the six environmental objectives listed below:

- Climate change mitigation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control; and
- Protection and restoration of biodiversity and ecosystems.

The European Commission establishes an up-to-date list of environmentally sustainable economic activities. Through delegated acts, it defines the technical screening criteria for each environmental objective. The first delegated act on sustainable activities for the objectives of Climate change adaptation and Climate change mitigation was published on 9 December 2021 and has been applicable since January 2022. On 9 March 2022, the Commission adopted the Complementary Climate Delegated Act, which includes specific nuclear and gas energy activities in the list of economic activities covered by the EU Taxonomy. The set of technical screening criteria for all environmental objectives was complemented by the adoption of the Environmental Delegated Act on 27 June 2023, which defines criteria for economic activities that significantly contribute to one or more of the four remaining environmental objectives that are not related to climate. The Environmental Delegated Act is applicable from January 2024.

2.1.1 Disclosure requirements for the EU Taxonomy

Article 8 of the EU Taxonomy Regulation is supplemented by Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 (Disclosures Delegated Act) that specifies the content, methodology and presentation of information to be disclosed by financial and non-financial undertakings concerning the proportion of environmentally sustainable economic activities in their business, investments or lending activities.

In accordance with the aforementioned Article 8, each undertaking subject to the obligation to disclose non-financial information under the Non-financial Reporting Directive ("NFRD") must include in its non-financial reporting information on how and to what extent the undertaking's activities are linked to economic activities that qualify as environmentally sustainable according to the EU Taxonomy Regulation.

As a result, MONETA is obliged to comply with the disclosure requirements set out in the EU Taxonomy Regulation. The Green Asset Ratio ("GAR") and the corresponding Key Performance Indicators ("KPIs") established under the Delegated Act on Disclosure of Information are published annually in the Group's consolidated Sustainability Statement – Chapter 13 of the Annual Financial Report. The first reporting period, which included GAR and KPIs covers the year 2023.

As of 31 December 2024, CZK 137 billion, i.e. 44.2% of the total included assets of the Group are classified as Taxonomy-eligible, of which CZK 11 million are Taxonomy-aligned.

With the continuous enhancement of the data collection processes and a strategic focus on green activities, MONETA is committed to increasing the transparency and accuracy of taxonomy disclosures. This proactive approach will ensure that undertakings financed by MONETA are more comprehensively

and accurately reported, reflecting its dedication to sustainability and transparency.

The calculations were carried out to the best of MONETA's knowledge and in accordance with regulatory requirements. The Group is currently working on developing new and enhancing established client engagement processes to support clients in their transition and incorporate taxonomy considerations into client discussions and product design where feasible.

The data disclosed in the tables in this chapter are presented for the entire consolidated Group as of 31 December 2024 and include the data of the parent company MONETA Money Bank, a.s., and its subsidiaries and associates listed in the financial information section of the Annual Financial Report.

As of 31 December 2023, MONETA had no exposures that could be qualified as aligned with the EU Taxonomy, i.e. that would meet all the eligibility criteria while meeting the required alignment criteria.

During 2024, MONETA has expanded the scope of its sustainability data collection, especially in the household finance segment. This made it possible to assess Taxonomy alignment for retail credit consumption loans for cars.

The volume of exposures eligible under the EU Taxonomy consists of three main groups:

(a) Exposures to households, consumer car loans, mortgage loans,
(b) Commercial exposures to non-financial undertakings, and
(c) Exposures to financial undertakings.

Of the exposures to households, mortgage loans and consumer car loans are reported as Taxonomy-eligible under the objective Climate Change Mitigation. With regards to mortgage loans, no exposures qualify as Taxonomy-eligible due to data availability limitations. While MONETA collects building energy performance certificates ("PENB") from clients on a voluntary basis, their availability in the Czech market is limited. To assess Taxonomy alignment, other essential information is still missing, particularly the date of the building permit application.

Consumer car loans are reported as a Taxonomy-eligible activity if the loan agreement date is from 1 January 2022. Under the Significant contribution to climate change mitigation objective, financed M1 and N1 fully electric and hybrid vehicles that meet CO2 emission limits were assessed. Hybrid-powered cars do not meet the zero-emission criterion and are therefore reported as a "transitional activity". An integral part of the assessment was the evaluation of the "do no significant harm" principle for the Transition to circular economy and Pollution prevention and control. Data on emissions, the most recent applicable stage of the emission type-approval status and vehicle noise levels were obtained individually for each vehicle from the Vehicle Register of the Ministry of Transport. Information on reusability and recyclability was sourced from the sustainability reports of individual vehicle manufacturers. As data on the specific tyres of the financed vehicles are not available, MONETA assumed that for a maximum of four years after entry into service, the tyres supplied by the vehicle manufacturer are used. Information on the tyres used in the form of a range corresponding to energy labels (see EPREL[3]) was requested directly from the importers and dealers of the most commonly represented brands. Only vehicles meeting all the criteria were assessed as Taxonomy-aligned.

Commercial exposures include exposures to non-financial undertakings that meet EU Taxonomy criteria and are subject to the NFRD, i.e. are public interest entities or fulfil the Large Company criteria according to CSRD (two out of three – have at least 250 full-time employees, Euro 40 million turnover, Euro 25 million total assets). To assess these criteria, MONETA has used up-to-date internal information on the number of full-time employees and country of domicile directly from its commercial clients and the latest available list of public interest entities published by the Public Audit Oversight Board[4].

Group's commercial lending is primarily focused on the SME segment, which has very few non-financial undertakings subject to CSRD (or NFRD) reporting requirements. As of the date of this report, sustainability reports for 2024 are not yet available; therefore, MONETA relies on reports published by clients for the year 2023. As of 31 December 2024, there are only three non-financial undertakings in the portfolio that are public interest entities. Of these, only one group active in defence, automotive and rail industries is subject to NFRD reporting on a consolidated basis. Please note that the issuer has not published the split of the use of the funds by turnover or CAPEX; hence MONETA reports the exposures under the GAR KPI stock based on turnover and CAPEX in the same percentages (see the tables in the Appendix of this Sustainability Statement).

During 2024, MONETA purchased several debt securities of financial institutions. Of these, only one bank security is an environmentally sustainable bond

3 Source: https://eprel.ec.europa.eu/screen/product/tyres.
4 Source: http://www.rvda.cz/en.

issued in compliance with EU legislation. The use of the proceeds of this security is invested in Taxonomy-eligible economic activities. This security is therefore disclosed as Taxonomy-eligible. However, as the issuer does not guarantee Taxonomy alignment and MONETA does not have sufficient information to make a thorough assessment, this exposure is not disclosed as Taxonomy-aligned. For the other securities, the use of proceeds is unknown; therefore, MONETA has disclosed this exposure as both Taxonomy-eligible and Taxonomy-aligned, based on the KPIs if published by the issuers for 2023.

MONETA does not have any real estate collaterals obtained by taking possession in exchange for the cancellation of debts.

As at year-end 2024, the Group's trading portfolio does not contain any Taxonomy-eligible or Taxonomy-aligned economic activities. Since the trading portfolio is mainly used for risk management of customers' books through derivative transactions (hedging), there is only limited room for incorporation of Taxonomy-eligible activities.

All other exposures are either excluded from the numerator because they do not meet the aforementioned criteria, are not GAR assets or are off-balance sheet exposures.

The assessment of off-balance sheet financial guarantee exposures was performed together with other commercial exposures. As of 31 December 2024, MONETA Group does not have any off-balance sheet exposures that could be classified as Taxonomy-eligible. MONETA does not provide asset management services.

Compared to 2023, MONETA has implemented two methodological changes in the preparation of the disclosed templates.

The first change relates to the reporting of Flow. The new exposures in Template 4 for 2023 have been included in the calculation at their contractual amount, i.e. the framework amount. For 2024, the Flow is reported as the gross carrying amount of instruments as of 31 December 2024 for which the contract was signed during 2024.

The second change is the determination of the gross carrying amount of tangible and intangible assets in Template 1, where the amount of depreciation/amortisation has been included in the gross carrying amount for 2024. Similarly, this change has also been reflected in the figures for the year 2023.

The following table shows the Template for the KPIs of credit institutions (Annex VI)

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

Main KPI

	Total environmentally sustainable assets	KPI****	KPI*****	% 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)
Green asset ratio (GAR) stock	11,094,918.11	0.005%	0.002%	61%	18%	39%

Additional KPIs

	Total environmentally sustainable activities	KPI	KPI	% 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)
GAR (flow)	10,134,981.80	0.005%	0.002%	3%	N/A	N/A
Trading book*	N/A	N/A	N/A			
Financial guarantees	0	0	0			
Assets under management	N/A	N/A	N/A			
Fees and commissions income**	N/A	N/A	N/A			

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR.
** Fees and commissions income from services other than lending and AuM.
Institutions shall disclose forward-looking information for these KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.
*** % of assets covered by the KPI over banks´ total assets.
**** Based on the Turnover KPI of the counterparty.
***** Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

All mandatory tables can be found in the Appendix of the Sustainability Statement.

2.2 CLIMATE CHANGE

2.2.1 Integration of sustainability-related performance into remuneration

The general rules and principles regarding the remuneration of members of the Management Board and the Supervisory Board are outlined in the Remuneration Policy. The implementation of the ESG Strategy, which includes achieving a carbon reduction target of 90% within Scope 1 and 2 by 2026 compared to the 2016 baseline, is linked to the variable remuneration of the Management Board. This is reflected in qualitative KPIs, which account for 30% of the overall variable bonus. The detailed structure of targets and awarded remuneration is included in the Remuneration Report, which is updated annually. These documents are available on MONETA's investor website[5].

2.2.2 Material sustainability-related impacts and risks

MONETA is a mid-sized financial institution operating within the Czech Republic, offering financing solutions to households and businesses. In its commercial segment, MONETA has traditionally focused on providing financial support to the agriculture sector, which constitutes the largest portion of its portfolio.

Climate change is one of the greatest challenges of today's society, and MONETA recognises its role in addressing it. MONETA is committed to actively reducing carbon emissions from its operations and mitigating climate change through its core activities of providing lending and investment services.

MONETA used the 2024 double materiality assessment to identify its material topics, further information on which can be found in section 1.8 Double materiality assessment. Following that MONETA determined that its biggest impact on climate change stems from financing activities indirectly contributing to the generation of GHG emissions in Scopes 3, so-called financed emissions, and own operations that contribute directly and indirectly to the generation of GHG emissions across Scopes 1, 2 and 3. MONETA's emissions associated with its commercial loan portfolio constitute 96.3% of total emissions.

MONETA defines climate-related risk as a risk of damage to the reputation or financial situation of the Group (including the ability to utilise collateral or sell ownership stakes) or client (including adverse impact on the client's assets or the client's ability to continue its business activities) due to the adverse impact of client's business activities on the environment and vice versa (physical and transition risk). Currently there are no material risks or opportunities identified.

Due to MONETA's business model, no material risks have been identified in connection with its upstream value chain, including suppliers, as for a financial institution this does not represent material dependency. The same applies to the assets needed to operate such as head office or branches, as these are leased, and any potential impact would be absorbed without significant additional or unexpected costs.

With the regulatory changes highlighting the importance of climate change, MONETA has aligned its ESG Strategy with its overall business strategy and risk management.

MONETA's approach

To assess its impacts on climate, MONETA leveraged its carbon footprint calculations. The most recent carbon footprint analysis from 2024 indicates that emissions associated with MONETA's financing activities constitute the majority of the Group's overall carbon footprint. MONETA started analysing and calculating the environmental impact of its financing activities - specifically the commercial loan portfolio - in 2021 using the basic principles of PCAF methodology[6].

MONETA periodically reassesses the significance of climate-related risks as part of the assessment of ESG risks in traditional risk categories, such as market risk, liquidity risk, operational risk and credit risk. The assessment of significance of climate-related risk factors in market and liquidity risk is performed annually and discussed with the Sustainability Committee. The assessment of climate-related risk factors in operational risk is performed through the annual Risk and Control Self-Assessment process, results of which are discussed with and approved by the Operational Risk Committee.

As part of its credit risk management strategy, MONETA consistently monitors its exposure and credit concentration risk. Most of the income is generated within the Czech Republic, thus limiting the climate risk analysis to this region. A significant portion of MONETA's portfolio comprises retail loans, primarily mortgages, where the assessment of climate-related risks, such as flooding, is an integral component of the standard risk management procedures.

Detailed breakdown of the gross carrying amount by loan type and stages can be found in the table Breakdown of allowances and provisions according to

5 Source: https://investors.moneta.cz/.

6 Source: https://carbonaccountingfinancials.com/en/.

loan type and stages in the Annual Financial Report 2024 in Notes to Consolidated Financial Statements.

In 2022, the Group began analytical work to quantify the impact of climate change risk on its portfolio. There are plans to further develop portfolio resilience and conduct a more in-depth analysis of environmental factors in line with prudential regulation requirements. This includes utilising scenario analysis and stress testing of environmental risks affecting its commercial loan portfolio by 2026. The scenario analysis and corresponding stress tests will be based on regulatory requirements and will consist of quantification of impacts of negative climate scenarios on short-, medium- and long-term horizons.

To assess inherent sector-specific climate risks within its commercial loans portfolio, MONETA segments the loan portfolio according to different NACE sectors. This segmentation helps determine the extent to which clients in particular sectors are exposed to climate risks due to their operating environment. MONETA continuously monitors individual financed ESG risk indicators for both transition and physical risks, integrating these elements into MONETA's risk appetite framework.

MONETA's exposure is primarily in the agriculture and real estate sectors, with limited exposure to high-impact climate sectors such as oil and gas. Consequently, the credit risk analysis focuses more on physical climate risk rather than transition risks. The Group regularly monitors potential impacts from climate changes that could result in the impairment of non-financial assets. Currently, no such impairment indicators have been identified.

The detailed structure of the MONETA's commercial credit portfolio by economic sectors can be found in the Annual Financial Report 2024 in Notes to Consolidated Financial Statements.

2.2.3 Transition plan for climate change mitigation

MONETA is considering developing its Transition Plan for Climate Change Mitigation. This plan will build on MONETA's established targets and initiatives, which can be found in section 2.2.6 Targets related to climate change mitigation and will be approved in 2026.

2.2.4 Policies

For MONETA, climate change mitigation is primarily connected with the reduction of carbon footprint. This is achieved through managing its Scope 1 and 2 in own operations as well as transparent reporting and analysis of its financed portfolio in Scope 3. However, MONETA also perceives the significance of climate risks.

MONETA is integrating climate risk within the Risk Appetite Statement, Book of Limits and relevant internal policies. Its approach to ESG risks is active and proportional to the size of its exposures within the loan portfolio. The Group implemented an ESG scorecard (as part of the Commercial Individual Managed rating tool) within its loan approval process to assess the ESG risk level of selected large corporate counterparties. The ESG perspective is reflected within the Group's loan approval process, in the client's credit rating and subsequently in product pricing, ECL, and within the monitoring process within the Group. MONETA has defined a list of sectors that can be served only in exceptional cases and under the condition of approval by the Credit Committee (a top-level credit approval authority), which is regularly monitored and assessed.

The detailed list of MONETA's policies that cover risk management, procurement processes, carbon footprint calculation, methodology and management of climate-related aspects is included in the Appendix of this Sustainability Statement.

2.2.5 Actions and resources

The activities in the environment area, whose primary objective is to manage and decrease MONETA's carbon footprint given by Scope 1, Scope 2, and Scope 3 Greenhouse Gas Emissions ("GHG"), including financed emissions and MONETA's future development, are described in the Group's ESG Strategy, which was approved by the Management Board of MONETA Money Bank in 2021 and updated in 2024. It introduces the main principles and MONETA's approach to management of climate-related topics and sets MONETA's objectives that are to be achieved in the following years in order to align MONETA's activities with wider sustainability goals. The activities focus on renewable energy, management of overall energy consumption, electromobility, and facilitation of sustainable finance.

MONETA's climate strategy aims to achieve carbon footprint reduction of 90% in Scope 1 and 2 by 2026 compared to 2016. In 2024, MONETA's carbon footprint reduction was 88.8%. The actions defined below contribute directly to achieving this commitment and further developing its environmental responsibility. The ability to implement the actions does not depend on the availability and allocation of additional resources.

Management of energy consumption

One of the sources of indirect emissions is purchased district heating, which is used to heat MONETA's buildings. Sources for heat production are fossil fuels (coal, fuel oils, natural gas), biomass, municipal waste and others, including their combinations. MONETA is aiming to decrease the overall consumption of energy by 2030. In line with

the Group's strategy of being among the Czech digital banking leaders, it is optimising its services, including its branch network, generating energy savings in the process.

In branches renovated over the past six years, the Group has installed air handling units with heat recovery and low-energy air conditioning, reducing reliance on gas and district heating. Since 2021, MONETA has been adopting alternative heating technologies, such as heat pumps or electric boilers with air conditioning, to further decrease MONETA's carbon footprint where regulations and technology permit it.

Major progress in energy efficiency was achieved with the 2018 renovation of MONETA's Prague headquarters, which now features a low-energy radiant system for heating and cooling, complemented by automatic night ventilation. The building is fitted with room sensors for temperature and lighting control based on occupancy and automatic blinds to prevent overheating, enhancing the work environment and cutting energy use.

Renewable energy

Another source of indirect emissions from energy is electricity consumed by MONETA. It is used to ensure the operation of all branches and headquarters (lighting, IT equipment, heating, charging electric cars, air conditioning, etc.). The total consumption of electricity from various suppliers was 8,602 MWh in 2024. In 2024, MONETA purchased certificates of origin for its electricity needs from ČEZ ESCO, a.s for 10,970 MWh. On top of that 253 MWh of consumption was guaranteed green electric energy from public electric vehicle charging networks. Since 2021 the Group has been able to cover all its electricity needs from renewable sources.

Energy efficiency measures

Since 2018, the Group's headquarters and branches have also been modernised to incorporate technologies that focus on minimising environmental impact and reducing electricity usage. For instance, MONETA has made extensive use of LED lighting and energy-efficient electrical appliances.

To further reduce energy consumption and thereby lower MONETA's carbon footprint, the Group has implemented online energy monitoring systems at certain branches at the end of 2022. These pilot installations serve to track and analyse energy usage at these branches, helping MONETA detect the most energy-efficient technologies. The energy consumption is reviewed nearly every day, allowing MONETA to manage its consumption effectively within the branch network. Another pilot project, which involved the installation of photovoltaic panels at one of the branches, allows MONETA to assess the extent to which such a technological solution can contribute to further reducing the carbon footprint.

Electromobility

The most significant source of MONETA's direct emissions was the consumption of motor fuels (diesel, gasoline) in company vehicles. Aligned with MONETA's commitment to lowering its carbon emissions, the Group is steadily decreasing the number of company cars. In 2024, MONETA operated 196 company vehicles, which is a reduction of 4 compared to the previous year. The Group plans to maintain this reduction trend in alignment with the ESG Strategy for the upcoming years.

Increasing the share of electric cars in its fleet is another lever to reduce carbon footprint. Currently 84% of the Group's corporate fleet is powered by electricity and the plan is to maintain at least 80% until 2030. Between 2016 and 2024 the initiative resulted in 1,996 tCO_2e savings.

MONETA's employees drove more than 3.5 million kilometres with electric cars in 2024, saving 483 tCO_2e. Across MONETA's 67 branches and at both headquarters, employees can charge electric cars at one of the 188 charging stations.

MONETA's financed carbon footprint

MONETA's greenhouse gas emissions are dominated by emissions associated with the commercial loan portfolio, residential mortgages and retail car loans. Decarbonisation of the Group's loans portfolio and client assets portfolio will be a key component of MONETA's transition towards a low-carbon economy.

The Group is working on increasing the accuracy of the measurement of the environmental impact of its financing activities, specifically its commercial loan portfolio, residential mortgages and retail car loans. As a result, the Group should be able to focus specifically on reducing the negative impact of its carbon footprint in this category (S3.15 Investments) in the future. The first part of this analysis took place in 2022 and continued through 2023 and 2024. Currently, MONETA uses data from the financial statements of its clients and their NACE codes to quantify the greenhouse emissions associated with its commercial loan portfolio.

Sustainable financing

MONETA is dedicated to embedding ESG criteria into its financing and investment practices to support long-term sustainable financing. MONETA offers clients the opportunity to invest in investment products with

a focus on equities and bonds incorporating ESG criteria. The number of investment products in MONETA's offer that meet ESG criteria is constantly growing: at the end of 2024, the number of such investment products was 27 out of a total offer of 40 investment products. In 2024, MONETA started selling one more fund meeting the Sustainable Finance Disclosures Regulation ("SFDR") Article 8 criteria.

In 2024, MONETA's clients invested CZK 14.4 billion in ESG. This represents more than 60% of production into investment products.

This table shows distribution of investment products by SFDR articles.

Article	Share of new volumes (%)	No. of investment products
Article 8	60.6	23
Article 9	0.4	4
Non ESG Article 6	39.0	13
Total	**100.0**	**40**

The European Investment Bank ("EIB") has granted a EUR 100 million (CZK 2.5 billion) loan to MONETA in 2024 to support Czech businesses with up to 3,000 employees, focusing on environmentally sustainable and competitive projects. At least 12% of the loan is earmarked for climate-positive initiatives, with MONETA committing to significantly increase this funding for sustainable business ventures. The loan will be offered through special credit products, including support for renewable energy, public transport, and infrastructure projects aimed at improving environmental sustainability and energy efficiency.

MONETA finances renewable energy sources. Since 2022, the Group has expanded its financing from biogas stations—131 funded since 2010 with a total value exceeding CZK 7 billion—to include photovoltaic panels, focusing on rooftop installations for clients aiming to cut their energy use.

In April 2023, MONETA introduced the Solární Expres půjčka (Solar Express Loan) to its retail clients, a special-purpose loan intended for advantageous financing of investments in real estate, leading to energy savings or in renewable energy sources. This loan is exclusively for 'green' projects, as defined by the state subsidy programme Nová zelená úsporám (New green for savings), which is an EU-funded programme. The loan offers a favourable, guaranteed interest rate, with amounts of up to CZK 1.5 million and terms of up to 10 years. Borrowers have a year to validate the loan's purpose. Since its inception, over CZK 52 million in loans have been issued.

Through Green Express Business Loan, entrepreneurs and small businesses can access loans up to CZK 2.5 million for energy-efficient projects like photovoltaic systems, heat pumps, and building insulation without needing property collateral and with the possibility of free early repayments.

The Group also provides financing for projects utilising renewable energy sources, including biogas stations that produce not only electricity but also heat as a byproduct, photovoltaic power plants that harness solar energy to generate electricity through solar panels, and small hydro and wind power plants that create sustainable energy from water currents or wind power.

In 2023, MONETA introduced a program for electric and hybrid vehicles, offering a 1% lower interest rate than standard loans. The loans are available for both new and used vehicles, with flexible repayment options and no maximum purchase price, although a minimum 15% down payment was required. Financing terms extend up to 96 instalments for new cars and 84 for used cars, with age restrictions for used vehicles.

Resources

MONETA does not monitor resources specifically allocated for implementation of the actions described above. MONETA's ability to implement the actions does not depend on the availability and allocation of specific resources above normal business operations. As such it treats actions related to climate change as part of normal business operations and does not disclose separate OPEX and CAPEX in its financial statements. These expenses are not expected to be significant.

2.2.6 Targets

In 2021, MONETA set mid-term climate-related impact reduction targets in alignment with the ESG Strategy following a review of an external consulting company's proposal. The consulting company also supplemented industrial benchmarks which were then compared to the development of each indicator for the relevant area. While the groundwork was largely done by the former Director Sustainability & Communication and the members of the newly formed ESG Cluster, the targets were finally approved by the Management Board.

The ESG Strategy, including the targets, was updated in 2024. The aim is to reduce Scope 1 and 2 emissions by 90% by 2026 from 2016 levels, working towards carbon neutrality. Scope 1 emissions are negligible, while Scope 2 emissions mainly come from purchased electricity. The largest part of MONETA's carbon footprint is Scope 3 emissions, which include financed emissions, purchased goods and services, commuting, business travel, and waste.

MONETA has not yet set up measurable outcome-oriented targets for Scope 3 financed emissions (S3.15 - Investments), which constitute the largest portion of MONETA's carbon footprint.

The targets are not science-based as MONETA is still working on setting Scope 3 targets. The targets for Scope 1 and 2 have been set based on sectoral guidance for financial institutions, with the main levers being a combination of energy efficiency in the head office and branches (decreasing energy consumption), expanding the electric cars fleet and purchasing green certificates for the electricity used. Targets for Scope 1 and Scope 2 are not dependent on operating parameters such as revenue growth and the company is not currently planning to change its business model in a way that would impact the set targets (e.g. expansion of retail branches). The targets are not externally assured.

Targets related to direct and indirect contribution from own operations

Targets	Base year 2021	Current year 2024	Target	Target year
Reduction of Scope 1 and 2 emissions (percentage reduction compared to 2016 level on market-based approach)	70%[7]	88.8%	90%	2026
Minimum proportion of electric cars in company fleet (to be maintained until target year)	21%	83.0%	80%	2030
Minimum reduction of total energy consumption (MWh/year) compared to base year (to be maintained until target year)	25,949 MWh/ year	44.1%	40%	2030
Renewable energy usage (to be maintained until target year)	44%	60.3%	60%	2030

In addition to the above-listed targets, MONETA has decided to set two new targets related to Scope 3 emissions in 2025. Realising that residential mortgages and exposure to agriculture comprise MONETA's largest sources of Scope 3 emissions, the Group is going to gather sufficient data to be able to set up realistic targets in these two areas.

The Sustainability Committee plays a crucial role in tracking the fulfilment of the targets and the effectiveness of sustainability-related policies and actions. Comprising top management and meeting quarterly, the Committee is tasked with discussing and updating the ESG Strategy, reviewing progress through quarterly reports, and proposing corrective actions as needed.

2.2.7 Energy consumption

MONETA is a company that does not belong to a climate-intensive sector. However, MONETA has been tracking its carbon footprint since 2016; therefore it is possible to provide the breakdown for both 2023 and 2024. The data is collected from energy monitoring systems and invoices of energy providers. The following table presents the Group's energy consumption and mix.

	2023	2024
Total energy consumption	16,864.2 MWh	14,279.6 MWh
Total fossil energy consumption	6,461.9 MWh	5,664.8 MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	3,803.5 MWh	3,197.9 MWh
Share of fossil sources in total energy consumption	38.3%	39.7%
Consumption from nuclear sources	23.6 MWh	0.0 MWh
Share of consumption from nuclear sources in total energy consumption	0.1%	0.0%
Total renewable energy consumption	10,378.7 MWh	8,614.8 MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	10,378.7 MWh	8,614.8 MWh
Share of renewable sources in total energy consumption	61.7%	60.3%

7 The value of 70% represents the reduction in Scope 1 and 2 emissions compared to base year 2016.

2.2.8 Gross Scopes 1, 2, 3 and Total GHG emissions

MONETA operates in the financial sector, which is not subject to the EU Emission Trading Scheme 1 ("ETS"). The Group's activities fall under Financial and insurance activities (NACE "K64") under the NACE Revision 2. None of its activities are considered a High Climate Impact Sector.

MONETA's greenhouse gas ("GHG") emissions for Scope 1 – 3 (except S3.15 – Investments) are calculated based both on GHG protocol and ISO 14064-1 by an external vendor. Scope 3 financed emissions (S3.15 – Investments) are calculated based on its own methodology, which draws upon the Partnership for Carbon Accounting Financials ("PCAF") methodology. The calculation is verified by an external party according to the international standard ISO 14064-1:2018.

When preparing the information on gross Scope 3 GHG emissions, MONETA partially based its calculation on the GHG Accounting and Reporting Standard for the Financial Industry from the Partnership for Carbon Accounting Financials, specifically part A "Financed Emissions" (version December 2022). This methodology focuses on measuring the GHG emissions linked directly to the financial institution's lending and investment activities.

The control-based determination method was used to determine the boundaries of the analysis. The calculation of greenhouse gas emissions included operations owned and controlled by MONETA: headquarters building in Prague and Ostrava and individual branches. Compared to the base year of the calculation (2016), in 2020 there was a merger with Wüstenrot stavební spořitelna, a.s. and Wüstenrot hypoteční banka, a.s., for which a carbon footprint was already set in 2020 in sections Scope 1 and 2 for 2019.

Emissions are broken down into 3 Scopes in accordance with the GHG Protocol:

- Scope 1 – emissions that are direct GHG emissions that occur from sources that are controlled or owned by an organisation (e.g. emissions associated with fuel combustion in boilers, furnaces, vehicles).
- Scope 2 – emissions that are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although Scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organisation's GHG inventory because they are a result of the organisation's energy use.
- Scope 3 – emissions that are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly impacts in its value chain. Scope 3 emissions include all sources not within an organisation's Scope 1 and 2 boundaries. The Scope 3 emissions for one organisation are the Scope 1 and 2 emissions of another organisation. Scope 3 emissions, also referred to as value chain emissions, often represent the majority of an organisation's total GHG emissions.

Scope 1, 2 and 3 have been included in the calculation of MONETA's carbon footprint. Emissions of the following greenhouse gases were included in the inventory: CO_2 – carbon dioxide, N_2O – nitrous oxide, CH_4 – methane, and HFC – hydrofluorocarbon. Specifically for Scope 3.15, MONETA did not assess other greenhouse gases than those included in CO_2e.

Emissions from own operations in Scope 1, 2 and 3 of the following greenhouse gases were not included (including justification): NF_3 – nitrogen trifluoride (not relevant regarding used technologies), SF_6 – sulphur hexafluoride (not relevant regarding used technologies), and PFC – perfluorocarbon (not relevant regarding used technologies).

The calculation of GHG emissions was carried out in accordance with technical standard ISO 14064-1. If necessary, the input data was converted to the required unit and order of magnitude. The calculation was made separately for all produced emissions of individual relevant greenhouse gases. Subsequently, these emissions were converted according to their global warming potential to so-called carbon dioxide equivalent (CO_2e) emissions. This parameter represents the resulting unit of the company's carbon footprint.

Emission factors were taken or calculated from the following documents and sources - National Greenhouse Gas Inventory Document of the Czech Republic (2023)[8], UK Government GHG Conversion Factors for Company Reporting (2021, 2024), Association of Issuing Bodies (2023), Furniture Industry Research Association, Carbon Trust, Hotel Footprinting Tool (2023), Database Envimat, Ecoinvent database, ADEME Base Carbone database, PCAF European building emission factor database and United States Environmental Protection Agency, Tool LCD. If a specific emission factor was not available, it was estimated by external provider with expert experience using similar calculations. Some factors on the intensity of heat production were obtained directly from the suppliers.

8 Source: https://www.chmi.cz/files/portal/docs/uoco/oez/nis/NIR/CZE_NID-2024-2022_main_text_UNFCCC.pdf.

Scope 1 and 2 emissions

MONETA has been calculating its carbon footprint in Scope 1 and 2 since 2016. Due to the long tradition, the Group already has reliable data collection processes in place. Moreover, the uncertainty of emission factors in Scope 1 and 2 ranges only from 1.0 to 4.5%, which means the data are a fair representation of reality. As a result, MONETA set a reduction target for its Scope 1 and 2 emissions. Given the business activity of MONETA, Scope 1 and 2 biogenic emissions are not relevant and not reported.

Scope 3 emissions

As a financial company, MONETA realises that the majority of its carbon footprint lies within Scope 3, especially category S3.15 – Investments. In its effort to provide a comprehensive overview of its carbon footprint, MONETA continuously adds individual categories to the calculation.

There are three areas comprising MONETA's Scope 3 emissions. The calculation of emissions associated with purchased goods and services is based on the costs of these purchases and monetary emission factors for categories of these purchases. In categories 2-14 emissions are negligible, and their calculation is mostly based on recorded energy and fuel purchases. The majority of MONETA's Scope 3 emissions consist of its financed emissions, namely commercial loans, residential mortgages and retail car loans. MONETA has been gradually extending the scope of categories included in the calculation of financed emissions since 2021. To ensure MONETA's calculations adhere to international standards, the Group draws on basic principles of Partnership for Carbon Accounting Financials methodology and is going to join the initiative in 2025, when it will incorporate the asset classes so far omitted (e.g. sovereign debt).

In the calculation of financed emissions (Scope 3.15 - Investments), MONETA monitors its bigger commercial segment clients for their non-financial disclosures. With its commercial portfolio consisting mainly of small and medium-sized enterprises and small businesses, only eleven of its financed client/s representing 2.34% of financed emissions published their GHG emission data. For all other commercial clients, emission intensities for the Czech Republic and each NACE sector, as published by the Czech Statistical Office and Eurostat[9] in 2024 with data for 2023, using the output method, i.e. not using the gross value added ("GVA") method due to its large volatility over time, are applied to each company's turnover in CZK to estimate the client's total emissions. Then, the share of the client's emissions attributed to MONETA is determined by the share of MONETA's financing on the client's total balance.

Further, financed emissions for retail car loans are calculated using public data on average mileage for types of vehicles and their average consumption of fossil fuels. Data on average consumption per 100 km were used to calculate emissions from financed cars for retail clients according to the fuel and age of the cars according to the website[10] and further data on the average mileage of individual types of cars (motorcycle, passenger car, etc.) were searched for.

Carbon footprint calculation for residential mortgages was carried out for the first time in 2024. Drawing on the PCAF methodology, MONETA used the data for the type of real estate, heating method and energy performance certificate ("PENB").

For Scope 3.15 and Scope 3.1 the uncertainty can reach up to 80% due to the non-existence of specific emission factors or the use of average values and various model calculations.

MONETA uses total operating income as presented in 2024 Financial Results and guidance in its Annual Financial Report 2024 when calculating GHG emissions intensity. In 2024, the total operating income was CZK 12.9 billion.

Certain Scope 3 categories have been excluded from the calculation because they are not relevant to MONETA's operations due to the nature of its business.

9 Source: https://ec.europa.eu/eurostat/databrowser/view/env_ac_ainah_r2/default/table?lang=en&category=env.env_air.env_air_aa.

10 Source: https://www.spritmonitor.de/en/.

The table below shows Scope 1, 2 and 3 emissions data[11] for three retrospective years and future milestones. So far, MONETA has only set the target for total Scope 1 and 2 emissions to be delivered in 2026. The target for Scope 3 emission will be formulated in 2025.

	Retrospective				Milestones and target years			
	Base year 2016	2023	2024	YoY change (2023/2024)	2025	2030	2050	Annual % targets/ base year
Scope 1 emissions								
Gross Scope 1 (tCO_2e)	1,503.00	356.26	303.74	(52.52)	-	-	-	-
Percentage of Scope 1 from regulated emission trading schemes (%)	0%	0%	0%	-	-	-	-	-
Scope 2 emissions								
Gross location-based Scope 2 (tCO_2e)	12,606.91	7,875.46	6,240.92	-	-	-	-	-
Gross market-based Scope 2 (tCO_2e)	12,606.91	1,383.96	1,278.09	(105.87)	-	-	-	-
Total Scope 1 and 2 emissions (tCO_2e)	**14,109.91**	**1,740.22**	**1,581.83**	**(158.39)**	**1,581.83**[12]	**-**	**-**	**(88.8%)**
Scope 3 emissions								
Total Gross Indirect (tCO_2e)	4,015.44	469,729.24	549,807.82	80,078.58				
1) Purchased goods and services	647.68	12,093.38	13,173.68	1,080.30	-	-	-	-
2) Capital goods	0.77	1,050.74	880.14	(170.60)	-	-	-	-
3) Fuel and energy-related activities	3,111.32	2,601.76	3,638.65	1,036.89	-	-	-	-
5) Waste generated in operations	255.67	28.81	31.18	2.37	-	-	-	-
6) Business traveling	N/A	400.07	393.58	(6.49)	-	-	-	-
7) Employee commuting	N/A	739.30	655.11	(84.19)	-	-	-	-
15) Investments[13]	N/A	452,815.18	530,844.04	78,028.86	-	-	-	-
Total GHG emissions	**18,124.89**	**471,469.47**	**551,389.65**	**79,920.18**	**-**	**-**	**-**	**-**
Total GHG location-based emissions (tCO_2e)	18,124.89	477,961.00	556,352.00	-	-	-	-	-
Total GHG market-based emission (tCO_2e)	18,124.89	471,499.47	551,389.65	79,920.18	-	-	-	-

MONETA has calculated its Scope 3 commercial portfolio emissions in line with previous years using the internal methodology and external Eurostat database. The resulting number is 339,937.25 tCO_2e. However, the Group is aware of the limitations of such calculation given that it only includes Scope 1 emissions of its exposure to commercial portfolio. To align with PCAF methodology, MONETA has also attempted to calculate Scope 2 and 3 of this portfolio. Unfortunately, the majority of its clients do not report their carbon footprint data. As a result, MONETA can disclose only a rough estimate of the Scope 2 and 3 emissions. Using two different calculation methods (industry benchmark and CDP guidelines for Scope 3 relevance by sector), MONETA has estimated its total S3.15 emissions of commercial loans to be between 971,249.40 tCO_2e and 4,321,361.00 tCO_2e.

11 Category 4 – Upstream transportation and distribution and categories 8 – Upstream leased assets, 9 – Downstream transportation, 10 – Processing of sold Products, 11 – Use of sold Products, 12 – End-of-life treatment of sold Products, 13 – Downstream leased assets, and 14 - Franchises are not listed since they are not relevant to MONETA.

12 Since MONETA has set its target for Scope 1 and 2 emissions reduction for 2026, the figure for 2025 represents only an estimate which should be realistic in order to deliver the 2026 target.

13 Calculation of carbon footprint of financed portfolio was gradually extended. Calculation for commercial loans was conducted for the first time in 2021, for retail car loans in 2023 and for residential mortgages in 2024.

This table shows MONETA's Scope 3.15 – Investments breakdown[14].

	Data as at 31 Dec 2024			
	Exposure (mil CZK)	Scope 1 emissions (tCO_2e)	Scope 2 and 3 emissions (tCO_2e)	Data quality[15]
Scope 3.15 – Investments				
15) Investments[16]				
Residential mortgages	131,325.88	162,641.47[17]	-	5
Retail car loans	2,791.25	28,265.31	-	5
Commercial loans	95,994.04	339,937.25	-	5
Commercial loans based on the NACE sector				
A - Agriculture, forestry and fishing		190,720.99		
B - Mining and quarrying		794.57		
C - Manufacturing		37,959.18		
D - Electricity, gas, steam and air conditioning supply		35,672.80		
E - Water supply; sewerage, waste management and remediation activities		8,872.84		
F - Construction		10,941.96		
G - Wholesale and retail trade; repair of motor vehicles and motorcycles		5,327.01		
H - Transportation and storage		40,015.40		
I - Accommodation and food service activities		600.10		
J - Information and communication		175.19		
K - Financial and insurance activities		7.32		
L - Real estate activities		6,883.95		
M - Professional, scientific and technical activities		268.73		
N - Administrative and support service activities		853.92		
O - Public administration and defence; compulsory social security		2.48		
P - Education		74.47		
Q - Human health and social work activities		592.30		
R - Arts, entertainment and recreation		35.73		
S - Other service activities		138.23		
Total GHG emissions				
Industrial benchmark estimation	95,994.04	339,937.25	631,312.15	N/A
CDP estimation	95,994.04	339,937.25	3,981,424.75	N/A

The table below shows the emission intensity of MONETA's carbon footprint.

	Emissions intensity	
Scope	**Operating income (tCO_2e/mil CZK)**	**Per employee (tCO_2e/HC)**
Scope (market-based)		
Scope 1 and 2	0.12	0.61
Total emissions	42.74	213.13
Scope (location-based)		
Scope 1 and 2	0.50	2.64
Total emissions	43.13	224.79

14 As MONETA is currently streamlining its methodology, the changes implemented will render the numbers non-comparable to those of the previous year. Therefore, only the values for 2024 are disclosed.

15 Data quality scores are in accordance with the PCAF quality scoring method as specified in The Global GHG Accounting and Reporting Standard for the Financial Industry. A score of 1 reflects the highest data quality and a score of 5 is the lowest data quality.

16 Calculation of the carbon footprint of the financed portfolio was gradually extended. Calculation for commercial loans was conducted for the first time in 2021, for retail car loans in 2023 and for residential mortgages in 2024.

17 Although MONETA is aware that PCAF methodology does not include "Construction" into the calculation of mortgage portfolio carbon footprint, the Group believes that newly constructed housing does generate CO2e and therefore has included this item into its calculation. Construction amounts for 8.7% of total mortgage emissions.

MONETA is subject to prudential regulation, which will require, from 2026, to have in place reliable strategies, guidelines, processes and systems for identification, measurement, management and monitoring of ESG risks on short-, medium-, and long-term horizons. In addition, the same regulation will require the testing of resilience against long-term adverse impacts of ESG factors. MONETA will implement steps to comply with these requirements once they become effective and disclose accordingly.

2.3 BIODIVERSITY AND ECOSYSTEMS

2.3.1 Material sustainability-related impacts, risks

During the double materiality assessment phase, MONETA identified biodiversity as its material topic given the structure of its commercial clientele, which consists of a large number of small and medium-sized agricultural businesses, while taking into consideration the concentration of the portfolio to the Czech Republic only. Their link to biodiversity is obvious, hence MONETA's materiality. However, until then, the Group had not been collecting any data related to the biodiversity of its clients, nor had it attempted any form of assessment of biodiversity-related impacts, risks, dependencies or opportunities. Moreover, structured and business-applicable biodiversity data is very difficult to obtain as there are no functioning localised databases or methodologies that could be directly utilised by financial institutions.

As a result, MONETA is currently exploring ways to collect biodiversity data and analyse them to assess its biodiversity impact within its portfolio, particularly within the agricultural sector, where it is most significant.

The Group is currently assessing its biodiversity impact within its portfolio, particularly within the agriculture sector, where it is most significant. By scrutinising the environmental footprint of its financing in agriculture, the Group seeks to identify and mitigate its ecological effects, aligning financial practices with biodiversity conservation.

MONETA provides funding to clients within the agricultural sector, which is the largest part of its commercial loan portfolio. The intensification of agriculture practices often leads to a negative impact on biodiversity. The conversion of natural habitats into farmland, the use of chemical pesticides and fertilisers, and the monoculture farming practices commonly financed by banks can lead to a loss of species, disruption of ecosystems, and a decline in the health of the natural world.

As a responsible entity, the Group is cognisant of these environmental challenges and is committed to exploring and implementing financing strategies that mitigate the adverse effects on biodiversity while continuing to support the vital agricultural sector.

2.3.2 Transition plan on biodiversity and ecosystems

MONETA has not implemented any transition plan, targets or metrics related to biodiversity yet as the impacts are connected to its downstream value chain and MONETA is developing methodology to quantify its impacts more precisely. Once this is clearly established and the relevant data and metrics are in place, MONETA will set up targets and timelines.

2.3.3 Policies

So far, MONETA has no specific policies and actions related to biodiversity and ecosystems. That being said, MONETA is actively seeking data on which it could base its biodiversity policies going forward.

2.3.4 Actions and resources

Until now, MONETA has not employed any actions or resources related to biodiversity and ecosystems. However, the Group is currently actively scouring the market for potential ways to measure and assess biodiversity in relation to its business model. Moreover, MONETA, as a traditional partner to farmers and agricultural businesses, has a long tradition of agro-breakfasts, where it introduces not just new financial products but also the newest trends in (sustainable) farming, such as precision agriculture, to its clients.

2.3.5 Targets

At this moment, MONETA is in an exploratory phase trying to link biodiversity in its financed portfolio to its business objectives and seeking ways to quantify the impact. Therefore, in 2024, MONETA has not set up any measurable outcome-oriented or time-bound targets nor has it employed any metrics related to biodiversity and ecosystem change. However, MONETA understands the importance of setting up relevant timelines. The exploratory phase should be completed in 2025 and the respective target set up in 2026.

3. BUSINESS POWERED BY PEOPLE

MONETA's social section covers topical standards S1 – Own workforce and S4 – Consumers and end-users. As a financial institution, MONETA provides financial products and services to a wide range of clients in the Czech Republic. A high level of service requires

a qualified and motivated workforce that keeps up with the challenges of digitalisation and the new online trends. Protecting its clients from cyber threats is one of MONETA's greatest priorities.

3.1 OWN WORKFORCE

3.1.1 Material sustainability-related impacts and risks

As the Group's frontline representatives, MONETA's employees are ambassadors of its brand. Their behaviour and interactions with key stakeholders, including clients can significantly impact the Group's reputation, including client satisfaction and loyalty. Well-trained and motivated employees can provide exceptional service, leading to higher customer retention and positive feedback.

Employees play a key role in the day-to-day operations of the Group. Their efficiency and productivity can significantly affect the Group's overall performance. Investing in employee well-being, including mental and physical health, employee training and development, can lead to a more productive and engaged workforce while ensuring that they have the skills needed to perform their tasks effectively. The latter will be particularly important as MONETA expands its portfolio of sustainable financial products and delivers on its sustainability commitments. Diverse teams bring different perspectives and ideas, which can enhance problem-solving and decision-making processes. Promoting diversity and inclusion within the workforce can lead to a more innovative and dynamic work environment.

All of MONETA's workforce lives and works in the Czech Republic, where the Group operates. The Czech Republic is a member of the EU; it is subject to a comprehensive legal framework that addresses human rights issues, and the local legislation enforces strict standards for the protection of human and labour rights, and the Group's operations align with these national requirements and commitments. As such, MONETA has not identified the country or its own operations at significant risk of incidents of forced, compulsory or child labour.

The majority of MONETA's employees (97%) are employed based on the employment contract, while the rest of them cooperate with MONETA based on the agreement to perform work as defined by Czech labour law (please refer to sections 74 - 77 of the Labour Code as amended)[18].

MONETA has not identified any material negative impacts in connection with its own employees. The impacts identified as material by MONETA apply to all its employees and relate to topics of Working conditions and Equal treatment and opportunities, with a specific focus on Gender equality and equal pay for work of equal value, Training and skills development, Adequate wages, and Work-life balance.

MONETA's objective is to be an attractive and responsible employer for all its employees independent of their location, position, age, gender, or any other factors. However, the Group has identified certain groups of employees that at some point in their life might require more support such as informal carers who care for their family members, employees with serious and chronic illnesses, or those with young children.

MONETA aims to provide equal access to opportunities for all its employees. To achieve this, MONETA prioritises creating equitable chances for women, individuals from minority cultural or ethnic backgrounds, people with disabilities, and different generations.

Alongside providing a variety of development opportunities, the Group assists employees in acquiring new skills for different roles (re-skilling) and enhancing their current skills (upskilling). Additionally, the Group has integrated various wellbeing initiatives into its employee benefits. For more details of specific activities, see section 3.1.5 Actions related to Own workforce.

MONETA is developing activities related to sustainable (‚green') finance, while at the same time, the regulatory framework for banks regarding disclosure and compliance to risks and impacts related to climate change is increasing. The growth of related business lines will create employment opportunities for new candidates and offer a development path for existing staff.

MONETA views its employees as a crucial asset in executing its business strategy and maintaining its operational license. This is particularly important for reducing the risk of non-compliance and inadequate adaptation to rapidly changing regulations, which could result in sanctions and financial losses. Employees are on the front lines of identifying and managing these risks; thus, a knowledgeable, well-trained, and satisfied workforce, supported by a strong corporate culture, is essential for ensuring the Group can navigate the complex regulatory landscape effectively.

18 Source: https://www.e-sbirka.cz/sb/2006/262/2025-01-01?f=262%2F2006&zalozka=text.

3.1.2 Policies

The Czech Republic is a signatory to most of the main agreements on the protection of human rights and reflects its commitments primarily in the Charter of Fundamental Rights and Freedoms[19], which is the cornerstone of the Czech constitutional framework. MONETA abides by the applicable laws and regulations, and the protection of human rights is inherent to all its activities.

MONETA became a signatory to the UN Global Compact[20] in 2021 and has been publishing reports on progress and compliance with the principles since 2022[21]. The ten principles cover, among others, the respect and the protection of internationally proclaimed human rights, the elimination of all forms of compulsory and forced labour, the abolition of child labour and the elimination of discrimination with respect to employment and occupation. In July 2022, MONETA became a signatory of the Women's Empowerment Principles ("WEPs")[22]. WEPs are a set of Principles offering guidance to businesses on how to promote gender equality and women's empowerment in the workplace, marketplace and community. MONETA also signed the Diversity Charter of the Czech Republic[23] to publicly declare its commitment to diversity and inclusion. Its commitments are reflected in daily business and policies to effectively manage impacts on employees.

Internal regulations impacting employees of MONETA are aligned with applicable EU directives and regulations, in particular:

- The European Banking Authority's Guidelines on sound remuneration policies
- Guidelines on sound remuneration policies under the Alternative Investment Fund Managers Directive

Alignment of internal regulation in place with those requirements is subject to regular audits (at least once a year) and/or compliance reviews.

The Group's inclusive approach to fair and equal treatment of all employees is enshrined in its Code of Ethics[24], which prohibits any discrimination and promotes equal opportunities for all. It is binding for all employees and members of governing bodies of the Group companies, sets the fundamental rules for their behaviour, and declares the Group's obligations towards its employees, members of governing bodies, clients, shareholders, business partners and other third parties.

All employees, including the persons conducting work on the basis of agreements on work performed outside employment (part-time) and MONETA contractors, undergo annual mandatory training designed to prevent misconduct, unethical behaviour, and conflicts of interest. In 2024, there were no recorded cases of discrimination or human rights violations in MONETA.

MONETA adopted the Diversity & Inclusion policy[25] in 2020 and updated it in 2022. The purpose of this policy is to commit to diversity and inclusion, including promoting equal opportunities for employees, preventing harassment and discrimination, and ensuring compliance with national and local labour and employment laws. The policy states respect for others and intolerance of discrimination, namely based on race, skin colour, religious beliefs, nationality, gender, age, disability level or sexual orientation.

MONETA's formalised ESG Strategy[26] outlines its main principles and approach to ESG and sustainability within MONETA and its subsidiaries and sets objectives to be achieved in the following years to align MONETA's activities with broader sustainability goals, including enhancement of social aspects of its business conduct. Social aspects and considerations reflect material topics and include an approach to MONETA's employees in terms of a diverse and Inclusive Working Environment, Fair Employee Remuneration, Employee Satisfaction and Wellbeing and Employee Training & Development.

In talent search and acquisition, MONETA considers skills, experience, potential and motivation only. MONETA rejects any form of discrimination, so the candidates are treated fairly and with the same care regardless of their gender, age, ethnic origin, sexual orientation, health conditions, or any other factor. Fair recruitment without any differences is implemented into the KPIs of the Talent Acquisition team as well as providing feedback to all candidates at a defined time frame.

The selection and recruitment of new employees or internal candidates is governed by firmly defined principles derived from the Code of Ethics. During the recruitment process, only parameters that are directly related to the experience, skills and motivation of candidates are evaluated. When selecting

19 Source: https://www.psp.cz/en/docs/laws/listina.html.

20 Source: https://unglobalcompact.org/what-is-gc/participants/146340-MONETA-Money-Bank.

21 Source: https://cop-report.unglobalcompact.org/COPViewer/2024?responseId=R_8NVv1Id5MPmCz2V.

22 Source: https://www.weps.org/.

23 Source: https://diverzita.cz/en/charta-diverzity-v-cesku.

24 Source: https://esg.moneta.cz/documents/19688341/19803994/mmb-code-of-ethics.pdf/7734a671-4de2-dfd8-eae9-e26613bd1524?t=1714032438366.

25 Source: https://esg.moneta.cz/documents/19688341/19803994/mmb-diversity-equity-and-inclusion-policy-2022.pdf/f3a6e970-8b70-07b9-38b9-95daf201a649?t=1714032438318.

26 Source: https://esg.moneta.cz/.

employees, MONETA strictly follows the applicable legal regulations (e.g. Labour Code, GDPR). Every year, MONETA trains managers on the principles and rules for the professional interviewing of candidates.

The design of a fair, understandable and adequate remuneration package is one of MONETA's top priorities. The remuneration policy is set up to create sustainable value for shareholders while attracting, rewarding, and retaining the best employees. In remuneration, MONETA considers both long-term results and short-term challenges, paying attention to the internal balance of remuneration settings while monitoring the market (external pay equity) to ensure that remuneration is comparable to the labour market. MONETA uses Korn Ferry's independent methodology to track market trends in compensation as objectively as possible. MONETA complies with all legal and regulatory requirements.

To properly manage ESG factors and risks including those related to its own workforce MONETA applies the three lines of defence approach (see section 1.2 ESG Corporate governance framework), with employees forming the first line. MONETA ensures that employees are properly equipped, via training, education and monetary support, to manage the exposure.

The detailed list of MONETA's policies that cover the topics of own workforce, remuneration and diversity and inclusion is included in the Appendix of this Sustainability Statement.

3.1.3 Employee engagement

The Group has implemented several processes to engage with its workforce. These processes are broad and encompass a variety of topics that employees find important, including more specific topics, such as employee development, performance, and personal circumstances. They include regular interactions and dialogues between employees and line managers, a diversity and inclusion platform (MON FAIR), as well as anonymous employee surveys. The Group does not engage employee representatives or trade unions as these are not established.

MONQuest is MONETA's regular, anonymous employee survey, which is conducted on a quarterly basis. MONETA chose an independent digital platform LutherOne, which also allows it to work with the survey results in real time. The survey consists of questions and the option to insert comments.

Results are presented to the top management and follow-up actions are determined. The results are also available to all employees through the LutherOne platform and internal communication channels. The Group monitors the survey response rate and the Employee Net Promoter Score ("eNPS"), which were 76% and 36, respectively in the latest 2024 survey.

MONETA's employees also have an opportunity to attend all-company Management Conferences (town hall meetings), which are held regularly in connection with the publication of the Group's quarterly financial results. During the presentation, the CEO provides an overview of the current financial results and strategic direction of the Group to the employees while selected members of the management team present the achievements and visions in their respective areas. The conferences are held at the main conference hall of the Prague headquarters and are streamed online across the entire branch network in the country, including the head offices, and a video recording is made of the event for later reference.

3.1.4 Employee Ombudsman

MONETA promotes transparency and ethical standards in all areas of its business. An employee is provided with the option to anonymously report any concerns or suspected misconduct, either to the management of MONETA or through an independent reporting line. The Group is committed to handling all reports with promptness and confidentiality.

MONETA implemented Act No. 171/2023 Coll., on the protection of whistleblowers, in 2023 and created a dedicated website[27] with relevant information.

The channels to raise concerns are the following:

- website which contains an online contact form,
- anonymous phone line +420 224 448 077,
- email address ombudsmanCZ@moneta.cz,
- physically at the address: MONETA Money Bank, a.s. / MONETA Auto, s.r.o. / MONETA Leasing, s.r.o. / MONETA Stavební Spořitelna, a.s., Employee Ombudsman, Vyskočilova 1442/1b, 140 28 Prague 4 – Michle.

The website is available in Czech and English. The results of these complaints are presented through the Annual Report of the Internal Ombudsman, which is available on the MONETA website[28].

MONETA has a firm internal policy to protect whistleblowers from reprisals or any form of retaliation for reporting. The policy ensures that whistleblowers are protected from retaliation, which supports the company's sustainability principles.

27 Source: https://www.moneta.cz/kontakt/whistleblowing.

28 Source: https://www.moneta.cz/kontakt/whistleblowing.

MONETA has a system of internal ombudsmen and ombudswomen to assist and ensure the protection of the rights and legitimate interests of its employees in situations where they suspect a breach of internal rules and regulations or where they feel they are not being treated in accordance with the principles of integrity, equal opportunity and fair remuneration. In addition to the above-mentioned notifications, ombudsmen are also a source of advice and consultation on issues related to the rules of the internal Code of Ethics and initiate measures to improve working conditions, the working environment and workplace relations. If the situation requires it, appropriate corrective measures are proposed by the internal ombudsmen, the aim of which is, among other things, to eliminate the very cause of the problematic situation.

The Employee Ombudsman Office publishes its annual report, where it is possible to find information on its activities and the initiatives addressed during the year. To protect the identity of employees who wish to report a suspected violation, the Group has a confidential complaint referral regime. The Director Compliance is the owner and guarantor of the process and coordinates the investigation of more serious complaints. He is also responsible for the appointment of three internal ombudsmen and ombudswomen from among the employees. MONETA does not have collective bargaining agreements and there is no trade union. In 2024, there were no significant complaints indicating a serious breach of external or internal regulations.

3.1.5 Actions

As part of MONETA's double materiality assessment, the Group has not identified any material negative impacts on its own workforce.

The Group actively takes measures to advance positive impacts on its workforce, ensuring that the actions taken align with the core values of employee welfare and sustainable development. These initiatives encompass a range of strategies, from promoting professional growth to fostering a culture of inclusivity and respect.

At MONETA, the Human Resources Department is responsible for the management of identified impacts, specifically:

- creating and implementing the rules, communication strategy, procedures and methodology to ensure an adequately qualified workforce,
- ensuring processing, implementation and control of personnel, labour and social policy and payroll processing,
- providing an evaluation system and improving the work efficiency of employees,
- leading personnel records of employees and securing the tasks related to labour relations,
- providing a range of organisations and systemising, including characteristics of the jobs,
- developing the concept of employee training and ensuring their organisation.

To enforce its actions and to provide guidelines MONETA has been a signatory to the UN Global Compact since June 2021, believing that by partnering with others, the Group can better achieve sustainable development. The Group has a broad base of philanthropic activities, including its unique Grant Programme, MONETA Clementia Foundation, and system of corporate volunteering. As a member of the Association of Social Responsibility, the largest platform for the UN Sustainable Development Goals ("SDGs") in the Czech Republic, MONETA is also committed to supporting the SDGs in spheres other than its own business.

Actions are aligned with Sustainable Development Goals: goal No. 5 – Gender equality, No. 8 – Decent work and economic growth and No. 10. Reduced inequalities.

Equal treatment and pay

MONETA follows the principle of equal and fair opportunities both within MONETA and towards third parties. In 2019, the Group launched its Diversity Programme, and from spring 2020, a Group-wide expert committee on diversity, inclusion and gender balance, MON FAIR, has been overseeing the overall status of the DE&I programme across MONETA, including gender pay equity, and supports employees work-life balance in different life situations. It also serves as an employee platform to create a constructive dialogue between employees, top management and the Supervisory Board. The Group is also committed to gender equality through MONETA's remuneration policy.

MONETA has made equal pay for women and men for comparable work one of its priorities in managing its remuneration system. Since 2020, MONETA has been the only Czech company included in the Bloomberg Gender-Equality Index. Based on data from 2024, the Gender Pay Gap – the difference between the total average pay of men and women in comparable positions – was identified at 1.44% to the disadvantage of women, which is a slight increase compared to the previous year (0.88% in 2023, 1.73% in 2022, 1.98% in 2021, 2.79% in 2020 and 5.19% in 2019). MONETA's goal is to maintain the Gender Pay Gap below 1% until 2030.

Gender diversity

The Group aims to improve gender equality by increasing female representation in leadership roles and eliminating the gender pay gap. The Group has

an ongoing conceptual development programme for women in managerial positions who receive targeted support and development. Consequently, Klára Starková was elected as the first woman to the Management Board of MONETA Money Bank as Chief Operating Officer in 2021. The Supervisory Board is now made up of 56% women. In total, 40% of MONETA's executive positions are held by women. By this proportion, MONETA has reached the target of having 35% representation of women and through the new ESG Strategy has subsequently set up a new target to maintain 40% until 2026.

In addition, of the 10 advisory committees established by MONETA's Management Board, two are led by women: the Compensation Committee and the aforementioned MON FAIR Committee.

MON Step

MONETA's efforts in the area of diversity and inclusion extend to the inclusion of employees with disabilities under a project labelled MON Step. This project started in October 2021 and aims to increase the proportion of people with disabilities in its workforce. At the end of 2024, the rate stood at 1.31%.

Training and skills development

MONETA strives to improve access to education by prioritising employee training and development to ensure the enhancement of expertise across employee roles. All its employees are trained annually on compliance with policies and processes, particularly on regulatory issues. These topics are covered in a series of e-learning courses which, by their very nature, ensure high-quality education in the area and the subsequent evidentiality of the training in the event of an inspection by the Czech National Bank.

In addition to mandatory training sessions, which cover mostly regulatory issues, there are also mandatory specialised training courses adapted to the skills and certifications required for particular job roles.

The Group also offers hard skills and soft skills training. Hard skills training covers a number of topics such as ESG, AI, cybersecurity training, analytical tools, project management and other topics. Soft skills training courses take the form of online seminars and workshops with external speakers.

MONETA has a trainee programme embedded in its recruitment process, which is designed for young talents at the beginning of their careers to gain their first experience of working life. In 2024, MONETA again participated in the inter-company mentoring platform Together 2 Grow ("T2G"), which involved 10 pairs.

Since 2023, employee development has been integrated with performance management and career planning. Key positions now have succession plans and performance reviews discuss career progression as well as the development of leadership skills. To elevate digital skills, the Group introduced a virtual learning platform featuring resources to foster digital literacy and awareness of current trends. The Group also continued its commitment to gender diversity by advancing its leadership programme for women, supported by the MON FAIR Committee. This initiative aims to boost the number of women in managerial positions and support their career progression.

Talent programmes

Every year, MONETA organises several talent programmes for employees demonstrating the highest performance and potential. Retail sales positions and Contact Centre can take advantage of the Retail Academy to further boost their skills and expertise. In 2024, the Commercial Academy was established to provide development for the commercial salesforce.

To increase the number of women in managerial roles and to support existing female managers in their further career growth, the Development programme for women was launched in May 2021. The programme also included top-ranked women who, although currently in an expert role with no direct reports, were actively preparing to take on managerial roles. In 2024, the programme has celebrated its fourth year of existence.

Succession planning and internal promotions are an important part of MONETA's human capital development. As a result, two new programmes were launched in 2024. Talent Accelerator is an annual programme for junior employees showing high potential, while Talent Master, a two-year programme, focuses on talented experts and managers.

The total number of participants in all the talent programmes was 197 in 2024.

Work-life balance

MONETA's goal is to be an attractive and responsible employer. The Group believes in the provision of social protection, social security and fair working conditions. Efficient use of time is promoted by working from home through the Remote Working option, which allows employees to work from home occasionally, depending on the nature of the job.

MONETA also offers all its employees four "Free Days", which they can use in the event of a short-term illness or other need for time off. Bankers in the branch network may use "Time Off", which is used to take

a short-term absence from the workplace in a matter of hours. Bankers can use this employer-paid short personal leave to take care of, for example, official business. To increase flexibility, MONETA has extended remote working options for positions where the nature of the work allows it, starting in November 2023. Employees can now work up to 12 shifts per calendar month in this mode if operational conditions allow. For other positions, remote work can be performed up to 4 shifts per month.

The table shows the types of leave available to the MONETA's employees.

Type of leave	Entitlement	Eligibility
Vacation	25 days per year	All employees working under employment contract
Free days	4 days per year	
Free days	5 days per year	Informal carers – beyond the Free days allowance for all employees
Time off	32 hours per year	Branch network
Certification leave	5 days per year	Mandatorily certified employees

Support of parents at MONETA

The Group's aim is to foster an environment that supports parents, especially mothers, in re-entering the workforce, which in turn helps them to harmonise their work commitments with their personal responsibilities.

Since 2021, the Group has been providing financial support to facilitate the return of new parents after maternity or parental leave. In addition, since 2023, a children's group has been available to the employees at the Prague headquarters. Employees on maternity and paternal leave can also stay in touch with their colleagues through the "Parents in MONETA" community, which then facilitates their return to work.

The effectiveness of these actions is measured by the retention rate of employees returning from maternity or parental leave, where up to 90% of parents remain in their position for at least 1 year. To allow for flexibility for the Group's employees who have children, 14.2% of the employment contracts at MONETA were part-time in 2024 and this number is continuously increasing.

MON Care

Informal carers are another target group for whom MONETA offers the opportunity to benefit from social and legal counselling as well as psychotherapeutic support. Since May 2023, the Group has offered these employees a higher level of remote working options and increased days off by up to five days per calendar year. MONETA introduced these changes to improve work-life balance and make it easier to combine caring for their family members with their work commitments. Through the Group's Social and Matching Fund, which has been under the MONETA Clementia Foundation since 2023, employees who are in a difficult social situation can benefit from a one-off financial donation. In 2024, MONETA offered support to 21 employees in need.

Adequate wages and fair employee remuneration

The remuneration system is based on a proven process of paying rewards based on individual performance against set targets. In addition to rewards linked to the achievement of goals related to the respective job, the remuneration system is thus appropriately supplemented with elements that support MONETA's long-term interests, goals and values. The Group also values the loyalty of its employees, who receive a financial reward every 5 years when they reach their work anniversary.

During 2024, MONETA adjusted the salaries of 1,177 employees, on average by 9.0%, to reflect the increasing cost of living and fight for talents on the labour market. Costs related to the implementation of the abovementioned actions are absorbed within the existing financial plan. MONETA complies with all legal and regulatory requirements.

3.1.6 Targets

MONETA traditionally supports diversity and equality in the workplace and promotes women in management positions. As previously mentioned in the section 3.1.5 Actions, the Group has many programmes to improve the inclusion and working conditions of its employees. In 2021, MONETA set up targets in this area as part of the ESG Strategy and maintained good progress in achieving them. The ESG Strategy including the targets was updated in 2024 to build on the progress.

Targets related to own workforce

Related impact	Target	Base year	Baseline value	2024	Target	Target year
Diversity, equity and inclusion						
Upholding policies that promote gender equality and diversity, such as equal pay and maternity and paternity leave, enabling employees to live free from gender and other inequalities, experience access to equal opportunities and responsibilities, and earn equitable pay regardless of gender.	Share of women in MONETA's management[29]	2021	40%	41%	50%	2026
	Percentage of women in executive positions of MONETA (Management Board and Supervisory Board)		33%	40%	40%	2026
	Adjusted Gender Pay Gap[30]		1.98%	1.44%	<1%	2030
	Return from parental leave 12 months retention rate		73%	90%	90%	2030
Training and skills development						
Investing in training and development programmes for employees can boost their personal and career development, increase their income, improve their socio-economic position, their overall job satisfaction and their sense of professional fulfilment.	Participants in the trainee programme	2023	11	29	40	2026
Work-life balance						
Ensuring fair working conditions and investing in employee wellbeing leads to improving employees' livelihood and accessibility to full and productive employment and decent work, which delivers a fair income and security in the workplace, including social protection for families.	Share of employees working reduced hours	2023	14.0%	14.2%	15.0%	2026

3.1.7 Employee characteristics

All of MONETA's employees are based in the Czech Republic. The total number of employees (headcount) was 2,587 as at 31 December 2024. Total number of employees who left the company was 554. The percentage of voluntary employee turnover was 12.2%. Voluntary turnover is the ratio comparing the number of leaving employees by their decision during the fiscal year with the average number of employees (headcount) across the year. Contracts of employees performing work outside an employment relationship are excluded. Termination based on the legal act initiated by an employee is considered voluntary termination.

MONETA collects employee information in the internal HR system. Gender data are stored according to the choice made by employees and members of the Management and Supervisory Boards and may be changed upon their request. As at 31 December 2024, only two genders (female and male) were reported in the system.

The following table shows the distribution of MONETA's employees by gender as a comparison between 2023 and 2024.

Gender	31 Dec 2023	31 Dec 2024
Female	1,602	1,581
Male	978	1,006
Other	0	0
Not reported	0	0
Total	**2,580**	**2,587**

29 Women who manage other employees, including team leaders, etc., were included in the calculation.

30 Adjusted Gender Pay Gap is calculated only for employees with an employment contract as the difference between the salaries of men and women holding comparable job positions.

This table shows a further breakdown of MONETA's employees by gender and type of contract as at 31 December of the respective year.

	Female		Male		Other		Not disclosed		Total	
No. of headcount	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**
Employees[31]	1,602	1,581	978	1,006	0	0	0	0	2,580	2,587
Permanent employees[32]	1,436	1,420	928	949	0	0	0	0	2,364	2,369
Temporary employees[33]	166	161	50	57	0	0	0	0	216	218
Non-guaranteed hours employees[34]	86	52	18	22	0	0	0	0	104	74
Full-time employees[35]	1,327	1,254	949	966	0	0	0	0	2,276	2,220
Part-time employees[36]	275	327	29	40	0	0	0	0	304	367

MONETA will report figures for non-employees in the next report.

3.1.8 Diversity

This section describes MONETA's employees in terms of gender and age diversity. The following table shows employee numbers by age.

	31 Dec 2023		31 Dec 2024	
	Headcount	**%**	**Headcount**	**%**
Under 30 years old	466	18	477	18
Between 30 and 50 years old	1,639	64	1,584	62
Over 50 years old	476	19	526	20

This table shows number of employees at the top management level distributed by gender.[37]

	31 Dec 2023		31 Dec 2024	
Gender	**No.**	**%**	**No.**	**%**
Female	6	40	6	40
Male	9	60	9	60
Other	0	0	0	0
Not disclosed	0	0	0	0
Total	**15**	**100**	**15**	**100**

3.1.9 Adequate Wages

All of MONETA's employees are paid adequate wages using the guaranteed wage as the adequate benchmark set by the Czech government according to Section 112 of the Labour Code. The level of salaries is subject to regular review, at least once a year to ensure that adequate wages are in place.

3.1.10 Social protection

All of MONETA's employees are covered by social protection through public programmes or benefits offered against loss of income due to sickness, unemployment, employment injury and acquired disability, parental leave, and retirement.

31 The number of employees in line with Section 15 of the Decree No. 518/2004 Coll. as amended. This number of employees takes into consideration only persons in an employment relationship with the company, meaning the contracts on performing work outside an employment relationship are excluded.

32 Employment contracts concluded for an indefinite term.

33 Employment contracts concluded for a definite term, either as an exact date or any event (typically: temporary contracts during maternity/parental leave).

34 Work performed outside of an employment relationship based on the Agreement to Complete a Job or Agreement to Perform Work. As of 31 December 2024, there is no valid Agreement to Complete a Job for any person.

35 Employment contracts with agreed working time at the level of full-time employment, i.e. 40 hours per week (no multiple working shifts in place).

36 Employment contracts with agreed working time below the level of full-time equivalent, i.e. 40 hours per week.

37 All reported figures and subtopics considered only employees with employment including members of the Management Board. Work performed outside an employment relationship is excluded. In preparation of this disclosure, MONETA defines top management as all members of the management body according to Section 2 lit (l) of Act No. 256/2004 Coll. as amended, Capital Market Act, i.e. members of both the Management Board and Supervisory Board.

3.1.11 Persons with disabilities

There are no legal restrictions on the collection of data regarding persons with disabilities amongst MONETA's employees. The percentage of persons with disabilities amongst MONETA's employees was 1.31% as of 31 December 2024. The following persons are considered as persons with disabilities:

- persons with any confirmed degree of disability (first, second, or third) proven by the respective document,
- disabled persons based on the valid decision of the social security (Czech Social Security Administration) or respective employment office,
- persons who had been assessed within the first or second degree of disability are no longer disabled within 12 months from the date of loss of disability status.

Considering the social disadvantages for this group of employees, MONETA supports persons with any kind of disability through disability programme with regular financial contributions on an annual basis. The application of employees for participation in this programme gives an overview of the number of disabled employees.

3.1.12 Training and skills development

As previously described in section 3.1.5 Actions, MONETA focuses on the development of its employees. The following table shows the percentage breakdown of regular performance and career development reviews by gender and the average number of training hours per employee.

	Female		Male		Total	
	2023	2024	2023	2024	2023	2024
Percentage of employees that participated in regular performance and career development reviews	97	97	97	98	97	97
Top management	100	100	100	100	100	100
Senior management	94	100	98	100	97	100
Other managers	100	100	100	99	100	100
Sales staff	96	97	96	96	96	97
Other employees	98	97	98	98	98	98
Average number of training hours per employee	39.0	39.1	27.7	27.9	33.4	34.9

3.1.13 Work-life balance

All MONETA's employees are entitled to family-related leave through social policy. This table shows the number of employees who were using family-related leaves in the given year divided by gender and the percentage of those employees out of the total active headcount as at 31 December of the respective year.

	31 Dec 2023		31 Dec 2024	
Gender	Headcount	% of total No. of employees	Headcount	% of total No. of employees
Female	554	21	484	19
Male	40	2	26	1
Other	0	0	0	0
Not disclosed	0	0	0	0
Total	**594**	**23**	**510**	**20**

3.1.14 Remuneration and pay gap

The Group's gender pay gap, as defined by the European Sustainability Reporting Standard, is 32% in 2024, expressed as a difference between the median of remuneration of women and men across the organization. The median was used to exclude the impact of extreme values on the ratio itself.

MONETA has been calculating the gender pay gap since 2019, using Bloomberg methodology. For details see section 3.1.5 Actions. The used approach for the gender

pay gap follows the principle "equal pay for equal work", comparing the remuneration of men and women on the job positions with the same job evaluation (grading) according to Korn Ferry's methodology. For each group of jobs, the median of total remuneration is calculated as a gap between male and female employees. The total adjusted pay gap for the whole Group is calculated as the average of those gaps and was 1.44% in 2024. The remuneration ratio stood at 868% for the same period.

3.1.15 Incidents and complaints

Internal ombudsmen handled complaints and provided advice for, among other things, the following areas:

- improper and unprofessional behaviour of a colleague in the workplace,
- approval of days for employees above the limit of statutory leave,
- repeated improper behaviour of a branch visitor,
- suspected fraudulent conduct by a third party related to the use of a current account at MONETA Money Bank, a.s.

While handling these complaints, internal ombudsmen did not record any serious breach of internal or external policies and none of the complaints was identified as related to breaches of human rights nor resulted in financial penalties. Internal ombudsmen duly discussed all areas in question with the respective notifiers and, where legitimate, ensured remediation measures were applied with immediate effect.

The following table shows MONETA's incidents, complaints and severe human rights impacts.

Type of incident or complaint	31 Dec 2023	31 Dec 2024
Number of incidents of discrimination	0	0
Number of complaints filed through channels for own workers to raise concerns	3	14
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0	0
Number of severe human rights issues and incidents connected to own workforce	0	0
Number of severe human rights issues and incidents connected to own workforce that are violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises	0	0
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	0
Number of severe human rights cases where undertaking played a role in securing remedies for those affected	0	0

3.2 CONSUMERS & END-USERS

3.2.1 Material sustainability-related impacts and risks

MONETA aspires to be recognised as the most innovative financial services organisation in the Czech Republic by its clients and the communities in which it operates. The organisation aims to become a digital leader in the Czech banking market, offering speed and convenience in the sale and servicing of products.

Clients' protection and personal data security and privacy are crucial for building long-term relationships based on mutual trust. Even more so, today's digital landscape underlines the growing threat of possible security events and the need for proper handling of client data. MONETA respects the privacy of its clients and will always act in line with the principles of bank secrecy and client data security.

Clear information enables clients to understand the features, benefits, and risks associated with various banking products. This understanding allows them to make informed decisions that best align with their financial needs and goals. Poor financial decisions by clients can lead to negative outcomes, particularly for vulnerable groups such as low-income individuals, minorities, and people with disabilities, who may encounter discriminatory practices in lending, account access, and customer service.

MONETA makes every effort to provide clear and transparent information about its products to both current and potential customers, enabling them to make informed choices. MONETA regards customer satisfaction as a cornerstone of the Group's long-term success.

3.2.2 Policies

As a financial institution, MONETA is aware of the sensitivity of the data which it processes. As MONETA operates only within the EU market and primarily within the Czech Republic, it is fully subjected to the strict requirements of the GDPR which aims to increase the protection of fundamental rights and freedoms relating to privacy and data protection of individuals.

MONETA's data-related policies and processes are fully in line with the GDPR, and MONETA strives to ensure effective consumer data protection, as privacy is a fundamental right that is enshrined in the Universal Declaration of Human Rights (Article 12), the European Convention of Human Rights (Article 8), and the European Charter of Fundamental Rights (Article 7). The Charter of Fundamental Rights also addresses the right to data protection (Article 8). Any potential issues are

subject to senior management engagement through established reporting channels. The detailed list of MONETA's policies that cover data processes is included in the Appendix of this Sustainability Statement.

3.2.3 Engagement with clients

MONETA sees the satisfaction of its clients as a foundation for the Group's long-term success. Among other things, it is crucial for clients to obtain clear and transparent information. It therefore takes direct steps aimed at increasing transparency and information availability.

Clients can get in touch in person in any of the 124 branches, via a contact centre, online chat, social media, digital channels or by contact form.

In 2024, service calls accounted for the largest share of incoming client requests, service clients' requests included questions from web forms and internet banking. The most frequent types of requests were for product and digital channel support (new versions, support for channel functionality, setting up online products and client transactions), transaction enquiries and help with payment card set-up. The Group is therefore focusing on quality and complexity in its service support, streamlining and simplifying the ability to find the information on its website that clients have asked for the most. Some services can now be set up using voice machines.

The Claims and Complaints Department is centred on customer satisfaction. In order to measure and be able to act on issues of customer satisfaction, MONETA uses its feedTRACK platform to collect, analyse, and address customer feedback, which is obtained at points of interaction between the Group and the client.

In 2024, MONETA resolved a total of 27,266 claims from its clients, of which 3,429[38] were legitimate.

MONETA also sends questionnaires to those clients who have not visited a branch in the last year to get their feedback and suggestions for improvement. All MONETA companies are using this tool, with 12 types of client questionnaires available in the application itself. In this way, the Group received more than 24,000 completed questionnaires in 2024. Approximately one-third of them contain client comments.

MONETA measures its Net Promoter Score ("NPS") in terms of overall customer experience and service level for the Contact Centre and the branches.

In 2024, the overall customer experience for the Contact Centre was 65 and the service level was 70, while for the branches the numbers were 78 and 82 respectively.

3.2.4 Client Ombudsman

To ensure the satisfaction of all clients, MONETA has a dedicated Client Ombudsman and Client Ombudsman Team which responds to requests of clients who are not satisfied with the outcome of their complaint procedure. The Ombudsman also reviews and assists with other specific or serious cases to identify the root cause of the situation with the purpose of implementing remediation mechanisms.

If clients are not satisfied with the handling of their complaints or claims by the Complaints and Claims Department, MONETA's Client's Ombudsman team takes on the case. The scope of the Client's Ombudsman includes also some other specific cases, such as complaints escalated to the Financial Arbiter or the Czech National Bank, or complaints involving a large amount of money. The Ombudsman also proposes appropriate solutions and preventative mechanisms based on the problems' root causes. In the period from January to December 2024, the Ombudsman and his team dealt with a total of 231 cases of serious complaints from clients. The reasons for these complaints most often concerned procedural failures, technical or human errors or misunderstanding of products and services.

The whistleblowing line, as described in section 4.1.3 Business conduct policies and corporate culture, is also available to clients to raise any possible concerns.

The other opportunities for clients to engage with the Group in case of any concerns or complaints that are described in section 3.2.3 Engagement with clients include the resolution of clients' issues and the implementation of their feedback into the Group's processes.

3.2.5 Actions

Data privacy

MONETA recognises the critical importance of data security and privacy, particularly as it handles sensitive client data that requires the utmost protection. The Group builds long-term relationships based on mutual trust and sees the security and proper handling of client data as a high-priority matter.

The processes in place to ensure data security and privacy are guided by legislation, such as the Czech Charter of Fundamental Rights and Freedoms, Act No. 21/1992 Coll., on Banks, Act No. 181/2014 Coll.,

38 Card transaction claims are not included.

on Cyber Security and Change of Related Acts, Digital Operational Resilience Act ("DORA"), Act No. 110/2019 Coll., on Personal Data Processing Act and the General Data Protection Regulation ("GDPR"). The rules set by these regulations are implemented into MONETA's processes and include activities such as providing information on processing to clients, dealing with client requests regarding data protection, conducting data protection impact assessments in relation to the rights of individuals or keeping records of processing activities. MONETA also complies with the Framework Interpretation of certain provisions of the GDPR prepared by the Czech Banking Association. The aforementioned legislation also sets forth the baseline standard for the security measures which MONETA implements and continuously strives to improve.

The Group processes clients' personal information in a strictly controlled manner to ensure the proper handling of this data, including proper removal of personal data after the appropriate period has passed as set in Act No. 21/1992 Coll., on Banks, and Act No. 253/2008 Coll., on Certain Measures against the Legalisation of Proceeds of Crime and Terrorist Financing.

Data protection at MONETA is subject to management oversight and any issues in this area are always brought to the attention of senior management through established reporting channels. MONETA is jointly responsible for the protection of client data together with its suppliers and intermediaries, so this relationship is always governed by a comprehensive personal data processing and confidentiality agreement. These agreements clearly set out the requirements that suppliers must comply with and have regulated in their internal regulations and which the suppliers are obliged to follow.

Access to information about products and services

MONETA places a strong emphasis on client protection, from responsible marketing to the eventual termination of the contractual relationship. It fully complies with all legislation relating to consumer protection and, where possible, goes above and beyond legal requirements.

The Group plans to continue focusing on providing banking products and services to clients and on improving existing and future client processes to maintain and improve its position as a digital market leader. It participates in the development of and adherence to the ethical standards for consumer protection developed by the Czech Banking Association. As part of its activities, MONETA also regularly cooperate with the Czech National Bank and the Financial Arbiter.

MONETA strives to eliminate and prevent any potential conflict of interest that all employees, especially those in customer-facing positions, might have. Such matters are deeply engraved within MONETA's Code of Ethics and internal policies (such as Rules for Prevention and Management of Conflict of Interest or Incentives Schemes) with which all employees must comply.

MONETA's employees are to act in the best faith towards customers and be transparent and honest when offering consumer financial products. All employees must act in accordance with the relevant consumer protection legislation, such as the credit mortgage directive, and respect bank secrecy principles. MONETA also commits to responsible marketing and client-facing communication, as fair and transparent marketing and advertising strengthen brand confidence. It uses true, current and clear information in all its marketing materials and avoids misleading information. Internal policies govern what language MONETA should use and in what manner it should communicate with its customers so that any information is clear, concise and free from misleading wording. Furthermore, MONETA never targets children under the age of 15 in any of its communication.

To adjust quality standards, MONETA uses the experience and expectations of clients, which were gathered from satisfaction surveys and interactions with clients themselves. As of 1 January 2023, these standards were adjusted and updated to define the required and binding level of service (for staff and branches) that is provided to all clients. The quality standards relate to the professional approach and expertise of bankers, the atmosphere and facilities of a branch and they are also reflected in the branch network concept. As part of its commitment to responsible banking for its sales processes, the Group also sets and monitors compliance with internal policies and legislative regulations and the company's ethical rules through Post Sales Controls. This is a key quality control element of product or service setups, including third-party products or selected products negotiated fully online. A total of 13 products were included in Post Sales Controls. By the end of 2024, more than 137,000 Post Sales Controls questionnaires were sent out.

3.2.6 Targets

In 2024, MONETA did not set any quantifiable goals. Any impacts are prevented and managed within the framework of existing policies and procedures, with the aim of preventing any harm to its clients from potential breaches in its protocols.

In 2024, there were no significant complaints relating to breaches of client privacy and loss of client data.

3.2.7 Cybersecurity – entity-specific topic

Material sustainability-related impacts and risks

Cybersecurity has become a paramount concern for organisations across all sectors, particularly for financial institutions like MONETA. During its processes MONETA collects extensive personal data, which, if not properly protected, can lead to identity theft and financial fraud. In the event of a security breach, sensitive client data may be lost, which would lead to financial losses, sanctions and reputation loss for the Group, but it would also compromise customers' right to personal privacy, security and integrity. Cybersecurity and data privacy are intrinsically linked, as robust cybersecurity measures are essential to safeguarding personal and financial information from unauthorised access and breaches.

While modern banking services, such as online and mobile banking, offer clients convenient and secure ways to manage their finances, conduct transactions, and monitor their accounts, navigating these processes can be challenging, particularly for individuals who are not technologically adept. These clients require robust protection against fraud. Nonetheless, all clients face risks of cyberfraud, including various manipulative techniques such as phishing, vishing, etc.

Based on MONETA's observations, the victims of payment fraud attacks qualify from various socio-demographic groups since fraudsters usually count on the moment of surprise, fear and impulsive actions based on invoked emotions. Therefore, rather than designing a tailored approach to various socio-demographic profiles, MONETA aims at providing general education to its customers increasing general awareness about these risks. Hand in hand with this approach, MONETA also aims at increasing its capability to identify and block suspicious behaviour based on transactional or online data.

MONETA employs a strategy which aims to:

1. Increase the ability to detect and block suspicious behaviour. This focuses on analyses of various client data types which include online data such as device specific data, or tracking of login patterns as well as transactional data. The fraud detection system is therefore based on anomaly detection in the client's conduct.
2. Fortify the access to online channels. This focuses on the prevention of situations under which the fraudster manages to take over the control of the client's account.
3. Conduct communication campaign aiming to increase the awareness of MONETA's clients with respect to various types of attack vectors.

MONETA also focuses on cooperation with other cybersecurity experts: MONETA partnered up with a cyber threat intelligence vendor. Cyber threat intelligence allows the Group to prevent, mitigate or react to cybersecurity risks quickly (even before they occur or during very early stages). This enables MONETA to defend its assets and the assets of its clients (e.g. Internet Banka credentials, bank cards etc.) more proactively by maintaining up-to-date information on a vast number of threats, including methods, vulnerabilities, targets, and malicious actors.

Policies

The detailed list of MONETA's policies that cover cybersecurity is included in the Appendix of this Sustainability Statement.

Actions

For the Group, ensuring the highest standards of cybersecurity is not just a necessity but a fundamental responsibility to protect its clients from potential threats such as phishing, malware, identity theft, and data breaches. By prioritising cybersecurity, the Group demonstrates its commitment to maintaining the privacy and trust of its clients in an increasingly interconnected world. MONETA therefore has strict rules around cybersecurity processes and customer data handling.

MONETA integrates advanced data protection tools into its operations. The Cybersecurity Department actively collaborates with relevant industry associations and regulatory authorities, including the Czech National Bank, the National Office for Cyber and Information Security, the Czech Banking Association, and the Police of the Czech Republic, among others. In safeguarding the Group's assets, the Cybersecurity Department partners with leading companies and third-party providers, leveraging their high-quality tools, services, and expertise.

MONETA's cybersecurity strategy is founded on three primary pillars: a risk-based approach, cybersecurity governance, and legal compliance. The risk-based approach focuses on mapping the threat landscape, identifying key threat actors, early detection of current and emerging risks, and assessing their potential likelihood and impact. It also involves defining and implementing preventive or mitigating measures.

Cybersecurity governance emphasises the comprehensive, harmonised management of all cybersecurity areas, the specification of security rules and standards, setting explicit security objectives for each domain, establishing KPIs, and ensuring thorough reporting and monitoring.

To maintain compliance with legal requirements, MONETA prioritises transparency in its cybersecurity activities with both internal and external stakeholders and fosters cooperation with supervisory authorities and associations.

In 2024, MONETA has seen an increased wave of cyber-attacks targeting clients across the banking sectors. For this reason, MONETA has intensified its efforts to help prevent these losses on multiple fronts: First, the Group has initiated investments into AI applied to clients' transactional behaviour to enhance its ability to detect and block suspicious behavioural patterns. MONETA has focused on more efficient application of already available technology and tools and believes that these investments will in the near future significantly improve its ability to detect and prevent cyber frauds and related client losses. Second, the Group has reinforced its security approach to new device registration to further reduce potential vulnerability. Finally, MONETA has launched a new communication campaign to increase awareness of its clients with respect to various types of attack vectors.

More details regarding MONETA's general approach and cybersecurity strategy, including the management of cybersecurity-related risks, can be found in Chapter 5.5.2 of the Annual Financial Report 2024.

The data protection tools that are implemented into the Group's day-to-day activities are governed by the cybersecurity strategy, which is a risk-based approach on top of legal compliance. MONETA also bases its approach on the transparency of its cybersecurity activities and cooperation with relevant industry associations and regulatory authorities such as the Czech National Bank, the National Office for Cyber and Information Security, the Czech Banking Association, and the Police of the Czech Republic. MONETA has also partnered with an award-winning cyber threat intelligence provider. This allows the Group to quickly prevent, mitigate or respond to cyber security risks – even before they occur or in the very early stages. In 2024, the Group was able to prevent fraud and protect 3,078 clients from cybercrime attempts. 188 cases involved the detection of stolen payment card details, and 1,808 cases involved stolen client login credentials obtained by attackers from a vulnerable third party through phishing attacks or with malware present on client devices (PCs, smartphones).

In 2024, 2,111 MONETA clients were affected by online fraud, leading to losses amounting to CZK 125 million. However, thanks to swift actions and security measures, an additional CZK 134 million were saved, highlighting the effectiveness of prevention and response by the Group, even though the risk of online fraud remains significant. These figures underscore the importance of continuous protection and client education on cybersecurity.

Examples of online fraud cases:

- Phishing scams: Attackers send fraudulent emails or messages that appear to come from trusted institutions, tricking users into providing sensitive information like login credentials or financial details.
- Malware attacks: Cybercriminals use malicious software to gain access to users' computers or devices, stealing personal or financial data without their knowledge.
- Investment Fraud: Scammers lure victims with fake investment opportunities, often promising high returns, only to steal their money once invested.
- Online shopping Scams: Fraudsters set up fake online stores or auction sites where users pay for products or services that are never delivered.

These cases emphasise the need for vigilance when conducting transactions or sharing personal information online.

All of MONETA's employees are regularly trained in the area of cybersecurity, including up-to-date knowledge distributed via intranet and email, quarterly e-learning courses, and the use of digital screens in headquarters. All new hires and new contractors must complete a special introductory course in data protection and information security, which is then repeated regularly. Development of security awareness within the company is ensured through additional courses ("refresher") which are held quarterly. Each course focuses in more detail on different security topics. The Group also deploys phishing simulations to raise awareness of the best course of action for employees in case of such potential threats. To ensure data loss prevention, MONETA uses the "need to know" basis, where access to information is limited appropriately. Data classification is enforced throughout the Group, with special attention paid to personal and sensitive data. The Group has deployed the Data Loss Prevention (DLP) solution which protects its assets from unauthorised use of valuable corporate data by internal users through a number of means, including hardware and content filtering and blocking confidential data on any removable storage devices (e.g. USB devices).

MONETA does not disclose financial information regarding operational expenditures (OPEX) and capital expenditures (CAPEX) in relation to action plans for its material sustainability topics.

Targets

MONETA will analyse the impacts on its clients in relation to cyber security and payment fraud prevention in 2025 with the intention to set up relevant targets in this area.

4. GOVERNANCE THROUGH VALUES

As a financial institution, MONETA is subject to strict regulation and scrutiny by numerous oversight bodies. High ethical standards are promoted by adherence to the Code of Ethics, MONETA's values and internal policies covering every aspect of its business conduct.

4.1 BUSINESS CONDUCT

4.1.1 ESG Corporate governance framework

The Supervisory and Management Boards are crucial in promoting responsible business practices. They oversee the implementation and adherence to protocols and guidelines related to business ethics, compliance, and other relevant matters. These bodies set the strategic framework for business conduct, ensuring alignment with the Group's vision, mission, and long-term goals.

Their expertise is derived from academic qualifications and extensive experience in managing ethical and compliant business operations. To stay current with the latest trends, challenges, and best practices in business conduct, they regularly participate in training sessions, workshops, and seminars. This commitment to continuous learning ensures they are well-equipped to guide the Group effectively.

MONETA defines its Administrative, Supervisory and Management bodies as members of the Management Board, Supervisory Board and Key Executive Managers, for more details see Chapter 4 – Corporate Governance Statement of the Annual Financial Report.

The table below shows expertise and skills of its Administrative, Supervisory and Management bodies in sustainability matters.

Body	Member	M/F	Management link/ designation reason	Financial Expert	Industry Expert	Management Expert	ESG-relevant skills
Supervisory Board	Gabriel Eichler[39]	M		X	X		
	Miroslav Singer	M		X	X		
	Clare Ronald Clarke	M					
	Denis Arthur Hall	M		X	X	X	
	Kateřina Jirásková	F		X			
	Zuzana Prokopcová	F		X	X		
	Klára Escobar	F	Employee representative		X		Own workforce
	Monika Kalivodová	F	Employee representative	X	X	X	Customers and End-users
	Linda Kavanová	F	Employee representative	X	X		
Management Board	Tomáš Spurný	M	Executive	X	X		
	Carl Norman Vökt	M	Executive	X	X	X	Business conduct, Cybersecurity, Climate change mitigation
	Jan Friček	M	Executive	X	X		Business conduct
	Jan Novotný	M	Executive	X	X		Customers and End-users
	Klára Starková	F	Executive	X	X		Cybersecurity, Customers and End-users
	Andrew John Gerber	M	Executive	X	X		Consumers and End-Users
Key Executive Managers	Jiří Huml	M			X		Climate change mitigation
	Jakub Valenta	M			X		Cybersecurity
	Sandra Kalijanko	F			X		Customers and End-users

All members of MONETAs administrative, management and supervisory bodies mentioned in the table receive regular training on ESG matters. In addition, they possess skills and expertise related to their profession and/or previous job experience. For the last column, ESRS standards material for MONETA were used to describe the relevancy of ESG skills. Out of the 18 members of administrative, management and supervisory bodies, 39% are women and 61% are men.

39 Chairman of the Supervisory Board.

4.1.2 Material sustainability-related impact and risks

For the identification of material topics, MONETA used its 2024 double materiality assessment, further information on which can be found in section 1.8 Double materiality assessment.

Specifically for this topic, MONETA focused on analysing its operations, products, services, and regulatory environment. This includes understanding the Group's role in the financial system, its client base, and its impact on the economy and society.

MONETA acknowledges the critical role of its corporate governance and understands that incidents of corruption and bribery, coupled with a flawed corporate culture and inadequate protection for whistleblowers, can lead to substantial adverse impacts on society, economies, and individuals, such as clients and employees.

MONETA recognises that the swift pace of changes in the regulatory environment presents a risk of failing to comply with or properly adapt to new or revised regulations, potentially leading to sanctions and financial losses.

Integrating environmental, social, and governance factors into credit analysis and lending decisions not only enhances MONETA's risk management and compliance but also supports broader societal objectives of sustainability and social responsibility. At the same time, the risk of noncompliance or inadequate adaptation to new and amended regulations, due to the rapidly evolving regulatory environment, may result in sanctions and financial losses.

When banks face insolvency, various issues may arise, such as delayed access to funds, potential alterations to loan terms, decreased availability of new credit, and investment losses. On a broader scale, these failures can result in economic instability, increased unemployment, reduced lending, and governmental intervention. These elements contribute to systemic risk, where the failure of one bank can lead to instability across the entire financial system.

A lack of effective measures to prevent or address these issues can diminish confidence in institutions and weaken the foundations of legal systems.

4.1.3 Business conduct policies and corporate culture

MONETA's culture is anchored by its Code of Ethics ("the Code"), which sets forth the behavioural standards for all employees, management, and supervisory bodies, encapsulating the Group's fundamental values. The Code also reflects MONETA's commitments to various stakeholders, including employees, clients, shareholders, business partners, regulators, and other third parties. As a binding document, the Code must be upheld by all, without exception.

Central to the Group's success is the adherence to this Code, which ensures MONETA conducts itself in a way that enhances its reputation. Diversity is leveraged for optimal outcomes, and an open culture is nurtured, characterised by fairness, transparency, trust, and respect.

The values cherished by MONETA form a core aspect of its organisational culture. The Group's values gain their meaning through the actions and attitudes of its employees and governing bodies. It is through collective adoption that MONETA's values become deeply integrated into everyday practice.

The core values of MONETA are:

- Entrepreneurship
- Respect
- Cooperation and engagement
- Accountability
- Credibility and integrity

These core values form MONETA's corporate culture and are embedded through policies, procedures and monitoring programmes depending on the area to which they refer. Policies such as the DE&I policy[40], programmes such as the MON FAIR programme and MONETA's whistleblowing procedure make up the Group's corporate culture through all of its activities.

To maintain these standards, all employees and part-time workers undergo annual training to prevent misconduct, unethical behaviour, and conflicts of interest.

Moreover, MONETA adheres to the ethical codes and standards of the Czech Banking Association, including the Client Mobility Standards, the Code of Conduct between Banks and Clients, and the Code of Ethics of the Financial Market. As a member of the Czech Institute of Internal Auditors, the Group's activities align with the International Framework for the Professional Practice of Internal Auditing. MONETA also upholds additional ethical codes from other institutions, such as the Czech Association for the Capital Market and the

40 Source: https://esg.moneta.cz/documents/19688341/19803994/mmb-diversity-equity-and-inclusion-policy-2022.pdf.

Czech Leasing and Finance Association's Memorandum and Ethical policies on consumer protection in credit provision.

MONETA conducts its business in accordance with all applicable laws of the Czech Republic, European Union legislation, as well as all applicable international treaties. These include, among others, Act No. 40/2009 Coll., the Criminal Code, Act No. 418/2011 Coll., on the criminal liability of legal persons and proceedings against them, Act No. 89/2012 Coll., the Civil Code, Act No. 90/2012 Coll., on Commercial Corporations and Co-operatives (Act on Commercial Corporations), Act No. 69/2006 Coll., on the implementation of international sanctions, Act No. 143/2001 Coll., on the protection of competition, Act No. 253/2008 Coll., on certain measures against the legalisation of proceeds of crime and financing of terrorism, EBA Guidelines on internal governance (EBA-GL-2017-11).

MONETA's internal policy framework encompasses several key areas:

- Prevention of money laundering and terrorist financing (AML/CFT policy)
- Managing the risk of fraudulent behaviour (Anti-Fraud Policy)
- Prevention of improper payments
- Conflict of Interest Prevention and Management Policy
- Whistleblowing
- Rules on the provision of investment services and prevention of market abuse

As a financial institution, MONETA plays a pivotal role in preventing financial crime. The most material areas of focus are anti-money laundering, compliance with the requirements of international sanctions and prevention of financing of terrorism ("AML/CFT"). MONETA annually discloses information regarding this practice in the Anti-money laundering evaluation report[41]. Within the Group, roles with direct customer interaction are identified as the most vulnerable to corruption and bribery. Consequently, MONETA's internal fraud detection system is specifically designed to monitor these positions. Additionally, all employees are required to undergo annual compulsory training on anti-bribery and anti-corruption practices, along with ongoing instruction in these critical areas.

It is of the utmost importance that the Group complies with all requirements set by regulatory authorities, including ESG reporting requirements, such as the Corporate Sustainability Reporting Directive and EU Taxonomy. The disclosure requirements set by the regulatory authorities are closely monitored. MONETA is also preparing for the disclosure of additional non-financial information in line with the CRR Pillar 3 disclosure requirements, to which MONETA is not currently subject. MONETA Group is monitoring its internal processes and will adapt its disclosures as soon as these regulations become applicable.

MONETA has robust mechanisms for identifying, reporting, and investigating concerns related to unlawful behaviour or actions that contradict the Group's Code of Ethics[42]. These mechanisms are accessible to both internal and external stakeholders. Concerns can be reported anonymously through a secure system, ensuring confidentiality and protection. The Human Resources Division oversees adherence to the Code of Ethics, and any issues or inconsistencies that arise are to be addressed in accordance with the applicable provisions of the Code.

MONETA timely implemented Act No. 171/2023 Coll., on the protection of whistleblowers and created a dedicated website[43] for this purpose, with all information on reporting violations of applicable regulations.

It provides its employees with the opportunity to anonymously raise concerns or report any perceived wrongdoing, either directly to MONETA's management or through a dedicated independent reporting line.

Whistleblowing is one of the areas that employees are regularly trained on, along with the prevention of improper payments, conflict of interest, Code of Ethics and compliance training.

MONETA's employees, clients, business partners, suppliers and any other persons can report their suspicions of possible wrongdoing, violations of regulations or ethical values to the Employee Ombudsman (Whistleblowing Officer) by:

- Confidential telephone line +420 224 448 077 on weekdays between 9:00 and 15:00;
- Electronically by email to ombudsmanCZ@moneta.cz;
- By using the contact form on the website; and
- In writing at the following addresses: MONETA Money Bank, a.s. / MONETA Auto, s.r.o. / MONETA Leasing, s.r.o. / MONETA Stavební Spořitelna, a.s., Ombudsman for Employees, Vyskočilova 1442/1b, 140 28 Prague 4 – Michle.

This process can be used to report any suspected criminal activity, breach of other regulations or unethical behaviour, for example in the following areas:

41 Source: https://investors.moneta.cz/documents/12270853/20121822/mmb-aml-evaluation-report-2023-en.pdf.

42 Source: https://esg.moneta.cz/documents/19688341/19803994/mmb-code-of-ethics.pdf.

43 Source: https://www.moneta.cz/kontakt/whistleblowing.

- Economic crime (money laundering, terrorist financing, compliance with international sanctions, automatic exchange of information in FATCA/CRS programs, etc.);
- Internal and external fraud and other attacks on MONETA assets;
- Corruption;
- Improper payments;
- Protection of personal data and banking secrecy;
- Misuse of information in business dealings; and
- Crimes against free competition.

Acknowledgement of receipt of the notification is sent to the notifier within 7 days of receipt.

The notifier is informed of the manner in which the situation has been resolved and the results of the assessment of the validity of the notification within 30 days from the date of receipt of the notification. In particularly complex cases, this period may be extended up to 90 days.

When investigating reports of rule violations or unethical behaviour, MONETA follows the following principles:

Confidentiality – MONETA handles allegations with the utmost respect, confidentially and, if requested by the whistleblower, anonymously for all parties involved.

Objectivity – MONETA is impartial and unbiased in its investigation and evaluation of allegations.

Responsibility – MONETA takes all notifications seriously and deals with them with due regard to its responsibility to the notifier and MONETA companies.

Equality - MONETA treats all parties or persons involved in a notification equally and does not disadvantage any party.

Sharing - information on notifications, investigation findings and corrective actions are shared with interested parties, taking into account applicable legislation and internal and Group regulations of MONETA Group companies.

Prohibition of retaliation - MONETA and members of the statutory bodies are obliged to protect whistleblowers from all types of unfair treatment, retaliation and sanctions for erroneous reports made in good faith.

A firm policy is in place, governed by internal regulations, to protect whistleblowers from reprisals or any form of retaliation for reporting. The Group promotes transparency and ethical standards in all areas of its business.

MONETA has supported various environmental and social initiatives. Information on financing environmentally responsible projects can be found in section 2.2.5 Actions and resources. For socially responsible projects, MONETA provides financial products aimed at supporting female entrepreneurs.

MONETA prefers long-term partnerships with local suppliers when possible. Suppliers must adhere to the Group's Supplier Code of Ethics and provide sustainability information through an ESG questionnaire. MONETA focuses on the supplier's carbon footprint measurement and emission reduction strategies. The ESG questionnaire is one of the elements in MONETA's supplier selection process.

Implementing ESG reporting can present several risks and costs for MONETA. The company faces the challenge of complying with evolving and complex ESG regulations. Non-compliance may result in legal penalties and reputational damage. Establishing robust ESG reporting frameworks, delivering accurate high-quality data, and integrating ESG factors into existing risk management frameworks can be complex and resource-intensive. Failure to meet stakeholder expectations could also harm MONETA's reputation and lead to losses. To address these risks, MONETA is investing in its systems and processes, aiming for continuous improvement in its ESG compliance.

4.1.4 Prevention and detection of corruption or bribery

The investigators and the investigating committee are entirely independent from the chain of management involved in the matter. This independence is crucial to ensure that the investigation is conducted impartially and without any influence from those directly involved. An employee conducting the investigation is entitled to inspect, verify, or investigate any aspect of the operations of the Group company concerned relating to the fraud (or incident relating to corruption and bribery) under investigation, even without the consent or prior notification of the head of the department where the investigation is being conducted.

The process for reporting outcomes of significant fraud investigations or incidents related to corruption and bribery is structured as follows: Upon the conclusion of the investigation, a detailed report is compiled, outlining the findings, conclusions, and any recommended actions. This report is then submitted to the relevant management and supervisory bodies for review and consideration. Regular updates and follow-up meetings are scheduled to discuss the implementation of recommendations and to address any further inquiries. This structured approach ensures that all key stakeholders are informed and engaged in the resolution process, reinforcing

MONETA's commitment to transparency and effective governance.

To combat corruption and prevent conflicts of interest, the Group has established a robust anti-corruption and anti-bribery policy, internally titled Avoiding Improper Payments, anchored by the ethical principles outlined in the Code of Ethics. The policy is consistent with the United Nations Convention against Corruption.

This policy is supported by rigorous internal processes that monitor the engagement with new suppliers and the exchange of gifts with clients or partners. The Group expects all employees, partners, and suppliers to adhere to these anti-corruption standards, which include the prohibition of improper payments and other unethical practices. The Group actively enforces a policy aimed at reducing the likelihood of corruption or bribery by conducting a variety of annual training sessions for its employees. These sessions are categorised into five key areas: prevention of improper payments, conflict of interest, whistleblowing, Code of Ethics and compliance training. All employees within the Group have completed compulsory training on anti-bribery and anti-corruption practices and receive ongoing instruction in all the above-mentioned areas.

Corruption screening is also carried out as part of third-party risk management. Documents and regulations governing the management of fraud risk are regularly reviewed in light of current trends in fraud risk in relation to financial institutions. No fraud was detected in 2024 that had a significant impact on MONETA's standard operations in terms of damage caused or reputational risk.

There were no confirmed cases of corruption during 2024.

For the purposes of anti-corruption and anti-bribery training, MONETA considers all its employees to be in at-risk functions (2,566) given the nature of the banking business. Also, for the purposes of anti-corruption and anti-bribery training, the Administrative, Management and Supervisory bodies include the following roles: members of the Supervisory Board and members of the Management Board of MONETA Money Bank, a.s., members of the Management Board MONETA of Stavební Spořitelna, a.s., Key Executive Managers, Director Compliance, Director Legal, Director Internal Audit, Managing Directors MONETA Leasing, Managing Director MONETA Auto. This is because all these functions receive a special type of training that is different in form from the rest of the employees.

The table shows the training coverage of at-risk functions divided by employee group and type of training coverage.

	Administrative, management, and supervisory bodies	Managers	Employees	Other own workers
Training coverage				
Total	27	302	2,237	-
Total received training	27	302	2,237	-
Delivery method and duration				
Classroom training (hours)	0	0	0	-
Computer-based training, e-learning (hours)	378.0	151.0	1,118.5	-
Voluntary computer-based training (hours)	0	0	0	-
Frequency				
How often training is required	annually	annually	annually	-
Topics covered				
Definition of corruption	x	x	x	-
Policy	x	x	x	-
Procedures on suspicion/detection	x	x	x	-

5. APPENDIX

5.1 DISCLOSURE REQUIREMENTS IN ESRS COVERED BY SUSTAINABILITY STATEMENT

The following tables list all of the ESRS disclosure requirements in ESRS 2 and the 5 topical standards which are material to MONETA, and which have guided the preparation of its Sustainability Statement. The Group has omitted all the disclosure requirements in the topical standards E2 - Pollution, E3 – Water and marine resources, E5 – Resource use and circular economy, S2 – Workers in the value chain, and S3 – Affected communities as these are below its materiality thresholds. The tables can be used to navigate to information relating to a specific disclosure requirement in the Sustainability Statement. In cases where MONETA does not yet have any information related to a disclosure requirement or the associated data points are assessed as not material, no reference is made.

Disclosure requirement	Description	Page	Additional Info
ESRS 2	**General disclosures**	**339**	
BP-1	General basis for the preparation of the Sustainability Statement	339	
[BP-2]	Disclosures in relation to specific circumstances	339	Section 1.1 General basis for preparation
[GOV-1]	Role of the administrative, management and supervisory bodies	340	Section 1.2 ESG corporate governance framework
[GOV-2]	Information provided to and sustainability matters addressed by administrative, management and supervisory bodies	340	Section 1.2 ESG corporate governance framework
[GOV-3]	Integration of sustainability-related performance in incentive schemes	342	Section 1.3 Integration of sustainability-related performance into remuneration
[GOV-4]	Statement on due diligence	343	
[GOV-5]	Risk management and internal controls over sustainability reporting	343	
[SBM-1]	Strategy, business model and value chain	345	
[SBM-2]	Interests and views of stakeholders - general	346	
[SBM-3]	Material impacts, risks and opportunities and their interaction with strategy and business model	351	
[IRO-1]	Description of process to identify and assess material impacts, risks and opportunities	348	Section 1.8 Double materiality assessment
[IRO-2]	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	386	Appendix 5.1
ESRS E1	**Climate change**	**357**	
[GOV-3]	Integration of sustainability-related performance in incentive schemes	357	Section 2.2.1 Integration of sustainability-related performance into remuneration
[SBM-3]	Material impacts, risks and opportunities and their interaction with strategy and business model	357	
[IRO-1]	Description of processes to identify and assess material climate-related impacts, risks and opportunities	357	Section 2.2.2 Material sustainability-related impacts and risks
[E1-1]	Transition plan for climate change mitigation	358	
[E1-2]	Policies related to climate change mitigation and adaptation	358,391	
[E1-3]	Actions and resources in relation to climate change policies	358	
[E1-4]	Targets related to climate change mitigation and adaptation	360	
[E1-5]	Energy consumption and mix	361	
[E1-6]	Gross Scopes 1, 2, 3 and Total GHG emissions	362	
[E1-7]	GHG removals and GHG mitigation projects financed through carbon credits		Not material, hence not disclosed
[E1-8]	Internal carbon pricing		Not material, hence not disclosed
[E1-9]	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		Phase-in, hence not disclosed

ESRS E4	**Biodiversity and ecosystems**	**366**	
[SBM-3]	Material impacts, risks and opportunities and their interaction with strategy and business model	366	
[IRO-1]	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies, and opportunities	366	Section 2.3.1 Material sustainability-related impacts and risks
[E4-1]	Transition plan on biodiversity and ecosystems in strategy and business model	366	
[E4-2]	Policies related to biodiversity and ecosystems	366	
[E4-3]	Actions and resources related to biodiversity and ecosystems	366	
[E4-4]	Targets related to biodiversity and ecosystems	366	Section 2.3.5 Targets
[E4-5]	Impact metrics related to biodiversity and ecosystem change	366	
[E4-6]	Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities		Phase-in, hence not disclosed
ESRS S1	**Own workforce**	**367**	
[S1-SBM3]	Material impacts, risks and opportunities and their interaction with strategy and business model	367	
[S1-1]	Policies related to own workforce	368,391	
[S1-2]	Processes for engaging with own workers and workers' representatives about impacts	369	Section 3.1.3 Employee engagement
[S1-3]	Processes to remediate negative impacts and channels for own workforce to raise concerns	369	Section 3.1.4 Employee Ombudsman
[S1-4]	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	370	
[S1-5]	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	372	
[S1-6]	Characteristics of undertaking's employees	373	Section 3.1.7 Employee characteristics
[S1-7]	Characteristics of non-employees in undertaking's own workforce		Phase-in, hence not disclosed
[S1-8]	Collective bargaining coverage and social dialogue	369	Section 3.1.4 Employee Ombudsman and 3.1.3 Employee engagement
[S1-9]	Diversity metrics	374	
[S1-10]	Adequate Wages	374	
[S1-11]	Social protection	374	
[S1-12]	Persons with disabilities	375	
[S1-13]	Training and skills development metrics	375	
[S1-14]	Health and safety metrics		Not material, hence not disclosed
[S1-15]	Work-life balance metrics	375	
[S1-16]	Remuneration metrics (pay gap and total remuneration) - general	375	
[S1-17]	Incidents, complaints, and severe human rights impacts -general	376	
ESRS S4	**Consumers and end-users**	**376**	
[S4-SBM3]	Material impacts, risks and opportunities and their interaction with strategy and business model	376	
[S4-1]	Policies related to consumers and end-users	376	
[S4-2]	Processes for engaging with consumers and end-users about impacts	377	Section 3.2.3 Engagement with clients
[S4-3]	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	377	Section 3.2.4 Client Ombudsman
[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 the effectiveness of those actions	377	
[S4-5]	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (consumers and end-users)	378	

ESRS G1	**Business conduct**	**381**	
[GOV-1]	Role of administrative, supervisory and management bodies	381	Section 4.1.1 ESG Corporate governance framework
[IRO-1]	Description of processes to identify and assess material impacts, risks, and opportunities	382	
[G1-1]	Business conduct policies and corporate culture	382	
[G1-2]	Management of relationships with suppliers	382	Section 4.1.3 Business conduct policies and corporate culture
[G1-3]	Prevention and detection of corruption or bribery	384	
[G1-4]	Incidents of corruption or bribery	385	
[G1-5]	Political influence and lobbying activities		Not material, hence not disclosed
[G1-6]	Payment practices		Not material, hence not disclosed

The table below includes all of the data points that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in this report and which data points are assessed as not material (NM).

Disclosure requirement	Data point	Sustainability statements/ Appendix	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Location (page)
ESRS 2							
ESRS 2 GOV-1	21 (d)	Board's gender diversity	x		x		83
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			x		74-77
ESRS 2 GOV-4	30	Statement on due diligence	x				343
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x		NM
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	x		x		NM
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		NM
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to the cultivation and production of tobacco			x		NM
ESRS E1							
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	358
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		NM
ESRS E1-4	34	GHG emission reduction targets	x	x	x		360
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				NM
ESRS E1-5	37	Energy consumption and mix	x				361
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				NM
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		362
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x		365
ESRS E1-7	56	GHG removals and carbon credits				x	NM
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		NM
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			NM
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			NM
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		NM

ESRS E2					
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	x		NM
ESRS E3					
ESRS E3-1	9	Water and marine resources	x		NM
ESRS E3-1	13	Dedicated policy	x		NM
ESRS E3-1	14	Sustainable oceans and seas	x		NM
ESRS E3-4	28 (c)	Total water recycled and reused	x		NM
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	x		NM
ESRS E4					
ESRS 2 - SBM 3 - E4	16 (a) i	List of material sites in its own operations, including sites under its operational control	x		NM
ESRS 2 - SBM 3 - E4	16 (b)	Material negative impacts with regard to land degradation, desertification or soil sealing	x		NM
ESRS 2 - SBM 3 - E4	16 (c)	Operations that affect threatened species	x		NM
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	x		366
ESRS E4-2	24 (c)	Sustainable oceans/seas practices or policies	x		NM
ESRS E4-2	24 (d)	Policies to address deforestation	x		NM
ESRS E5					
ESRS E5-5	37 (d)	Non-recycled waste	x		NM
ESRS E5-5	39	Hazardous waste and radioactive waste	x		NM
ESRS S1					
ESRS 2 - SBM 3 - S1	14 (f)	Risk of incidents of forced labour	x		NM
ESRS 2 - SBM 3 - S1	14 (g)	Risk of incidents of child labour	x		NM
ESRS S1-1	20	Human rights policy commitments	x		368
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8		x	NM
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x		NM
ESRS S1-1	23	Workplace accident prevention policy or management system	x		NM
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x		369
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents			NM
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x	x	NM
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		375
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x	x	Remuneration report
ESRS S1-17	103 (a)	Incidents of discrimination	x		376
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	x	x	368

ESRS S2						
ESRS 2 - SBM 3 - S2	11 (b)	Significant risk of child labour or forced labour in the value chain	x			NM
ESRS S2-1	17	Human rights policy commitments				NM
ESRS S2-1	18	Policies related to value chain workers	x			NM
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x	NM
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x	NM
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x			NM
ESRS S3						
ESRS S3-1	16	Human rights policy commitments	x			NM
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	x		x	NM
ESRS S3-4	36	Human rights issues and incidents	x			NM
ESRS S4						
ESRS S4-1	16	Policies related to consumers and end-users	x			376
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x	x		NM
ESRS S4-4	35	Human rights issues and incidents	x			NM
ESRS G1						
ESRS G1-1	§10 (b)	United Nations Convention against Corruption	x			385
ESRS G1-1	§10 (d)	Protection of whistle- blowers	x			NM
ESRS G1-4	§24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x	385
ESRS G1-4	§24 (b)	Standards of anti- corruption and anti-bribery	x			384

5.2 INCORPORATION BY REFERENCE

ESRS 2	Disclosure Requirement	Chapter in Financial Annual Report
SBM-1	Description of the business model	1.2 – Strategy
GOV-1	Role of the administrative, management and supervisory bodies	4 – Corporate Governance Statement
GOV-2	Number of executive members	4.5 – Management Board
GOV-1	Number of non-executive members	4.3 – Supervisory Board
GOV-1	Information about the representation of employees and other workers	4.3.2 – Members of the Supervisory Board
GOV-1	Information about member's experience relevant to sectors, products and geographic locations of undertaking	4.3.2 – Members of the Supervisory Board, and 4.5.3 – Members of the Management Board
GOV-1	Percentage of independent board members	4.3.2 – Members of the Supervisory Board
GOV-3	Integration of sustainability-related performance in incentive schemes	Annex – 2024 Key performance indicators of the Management Board and Key Executive Managers

5.3 POLICIES

The following lists describe MONETA's internal policies with respect to topical standards ESRS E1 – Climate change, S1 – Own workforce, S4 – Consumers and End-users, and G1 – Business conduct. All the policies are available in the internal system to all employees.

Internal policies related to Climate Mitigation

Policy	Scope
Rules for Carbon Footprint Calculation	The Group, Clients, Suppliers, Employees
This policy covers responsibilities, processes, governance and methodology of climate change mitigation, energy efficiency, and renewable energy deployment. It lists GHG protocol, ISO 14064-1:2018, and PCAF (Standard A, Financed Emissions 2022)[44] as the main external standards for carbon footprint calculation and verification. The target is set for Scope 1 and 2 emissions. Management Board has the main responsibility.	
Waste Management policy	The Group
This policy covers waste management responsibilities, process, governance and methodology. Chief Shared Services Officer has the main responsibility.	
Procurement Policy	The Group, Suppliers
This policy covers responsibilities, governance and methodology of the procurement process. Chief Finance Officer has the main responsibility.	
Risk Management Strategy	The Group
This policy covers the definitions and risk management framework of MONETA. Chief Risk Officer has the main responsibility.	
Charter and Rules of Procedure of the Sustainability Committee	The Group
This policy covers the members, scope, responsibilities, and rules of procedure of the Sustainability Committee. Management Board has the main responsibility.	
Internal Rating and LGD	The Group
This policy describes internal rating tools and their components, including the ESG component. Chief Risk Officer has the main responsibility.	
Collateral policy	The Group, Clients
This policy addresses insurance requirements for collateral, specifically mentioning insurance against natural disasters. Chief Risk Officer has the main responsibility.	
Rules for Valuation of Financed Assets and Assets Serving as Collateral for Claims	The Group, Clients
The rules specify that the valuation of real estate must consider environmental liabilities and assess whether the property is situated in a flood zone or any other region prone to natural disasters. Chief Risk Officer has the main responsibility.	
Decision on Approval Processes for Credit Products	MONETA Money Bank, Clients
This policy describes the governance of the restricted financing list and restricted collateral list. Chief Risk Officer has the main responsibility.	
Process book: Commercial Credit Process	The Group, Clients
This process book includes a list of restricted financing and restricted collateral. Chief Risk Officer has the main responsibility.	

Internal policies related to Own Workforce

Policy	Scope
Diversity, Equity and Inclusion Policy[45]	The Group
This policy includes DE&I commitments, the DE&I programme and its governance, MON FAIR pillars and monitoring of performance. Director Human Resources has the main responsibility. The policy incorporates third-party principles such as Directive 2013/36/EU, Diversity Charter, Bloomberg Gender-Equality Index, and Women's Empowerment Principles.	
Code of Ethics	The Group
This policy includes guidelines and rules of conduct and the corporate culture of MONETA's employees and members of the bodies. The Management Board has the main responsibility.	

Internal policies related to Consumers and End-Users

Policy	Scope
Processing of personal data	The Group, Clients, Suppliers
This policy serves to ensure the security of processed personal data in accordance with the GDPR. Director Compliance has the main responsibility.	
Principles of Information Security	The Group
MONETA has further 19 internal cybersecurity policies which together form comprehensive cybersecurity governance and inform MONETA's decisions in the area of online conduct and protection against and prevention of cyber threats.	
Protection of commercial and banking secrecy	The Group, Clients
This policy serves to ensure the security of data protected by banking secrecy in accordance with the Act on Banks. Director Compliance has the main responsibility.	

44 Source: https://carbonaccountingfinancials.com/en/standard#a.

45 Source: esg.moneta.cz/documents/19688341/19803994/mmb-diversity-equity-and-inclusion-policy-2022.pdf/f3a6e970-8b70-07b9-38b9-95daf201a649?t=1714032438318.

5.4 EU TAXONOMY - ANNEX VI – TEMPLATE FOR THE KPIS OF CREDIT INSTITUTIONS

The following pages include the complete reporting templates, which cover the disclosure requirements outlined in Annex VI and Annex XII of the EU Taxonomy regulation.

The following table shows the Template for the KPIs of credit institutions (Annex VI)

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

Main KPI

	Total environmentally sustainable assets	KPI****	KPI*****	% 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)
Green asset ratio (GAR) stock	11,094,918.11	0.005%	0.002%	61%	18%	39%

Additional KPIs

	Total environmentally sustainable activities	KPI	KPI	% 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)
GAR (flow)	10,134,981.80	0.005%	0.002%	3%	N/A	N/A
Trading book*	N/A	N/A	N/A			
Financial guarantees	0	0	0			
Assets under management	N/A	N/A	N/A			
Fees and commissions income**	N/A	N/A	N/A			

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR.
** Fees and commissions income from services other than lending and AuM.
Institutions shall disclose forward-looking information for these KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.
*** % of assets covered by the KPI over banks´ total assets.
**** Based on the Turnover KPI of the counterparty.
***** Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

1. ASSETS FOR THE CALCULATION OF GAR BASED ON TURNOVER

million CZK	Total [gross] carrying amount	31 December 2024 Climate Change Mitigation (CCM)	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator						
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	219,540	136,778	11	0	1	0
Financial undertakings	**4,150**	**206**	**6**	**0**	**0**	**0**
Credit institutions	2,995	206	6	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	2,995	206	6	0	0	0
Equity instruments	0	0	0		0	0
Other financial corporations	1,154	0	0	0	0	0
of which investment firms	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
of which management companies	399	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	397	0	0	0	0	0
Equity instruments	2	0	0		0	0
of which insurance undertakings	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
Non-financial undertakings	**1,444**	**0**	**0**	**0**	**0**	**0**
Loans and advances	1,444	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
Households	**213,946**	**136,572**	**5**	**0**	**1**	**0**
of which loans collateralised by residential immovable property	132,648	131,177	0	0	0	0
of which building renovation loans	3,039	3,039	0	0	0	0
of which motor vehicle loans	2,792	2,356	5	0	1	0
Local governments financing	**0**	**0**	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0	0	0
Other local government financing	0	0	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**90,378**	**0**	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings	**63,387**					
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	**58,021**					
Loans and advances	**57,996**					
of which loans collateralised by commercial immovable property	**39,635**					
of which building renovation loans	**480**					
Debt securities	**0**					
Equity instruments	**25**					
Non-EU country counterparties not subject to NFRD disclosure obligations	**5,366**					
Loans and advances	**5,326**					
Debt securities	**0**					
Equity instruments	**40**					
Derivatives	**2,314**					
On demand interbank loans	**3,616**					
Cash and cash-related assets	**3,771**					
Other categories of assets (e.g. Goodwill, commodities etc.)	**17,290**					
Total GAR assets	**309,918**	**136,778**	**11**	**0**	**1**	**0**
Assets not covered for GAR calculation	**199,374**					
Central governments and Supranational issuers	**113,417**					
Central banks exposure	**85,361**					
Trading book	**596**					
Total assets	**509,292**	**136,778**	**11**	**0**	**1**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations						
Financial guarantees	**2,573**	**0**	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**	**0**	**0**

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**			**0**		**0**	**0**	**0**	**0**
0	0	0	0			0		0	0	0	0
0	0	0	0			0		0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

million CZK	31 December 2024 Pollution (PPC)	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	
			Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0	0	0	0
Financial undertakings	**0**	**0**	**0**	**0**
Credit institutions	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Other financial corporations	0	0	0	0
of which investment firms	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which management companies	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which insurance undertakings	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Non-financial undertakings	**0**	**0**	**0**	**0**
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0
Other local government financing	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings				
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations				
Loans and advances				
of which loans collateralised by commercial immovable property				
of which building renovation loans				
Debt securities				
Equity instruments				
Non-EU country counterparties not subject to NFRD disclosure obligations				
Loans and advances				
Debt securities				
Equity instruments				
Derivatives				
On demand interbank loans				
Cash and cash-related assets				
Other categories of assets (e.g. Goodwill, commodities etc.)				
Total GAR assets	**0**	**0**	**0**	**0**
Assets not covered for GAR calculation				
Central governments and Supranational issuers				
Central banks exposure				
Trading book				
Total assets	**0**	**0**	**0**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations				
Financial guarantees	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**

31 December 2024

Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
0	0	0	0	136,778	11	0	1	0
0	**0**	**0**	**0**	**206**	**6**	**0**	**0**	**0**
0	0	0	0	206	6	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	206	6	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
				136,572	**5**	**0**	**1**	**0**
				131,177	0	0	0	0
				3,039	0	0	0	0
				2,356	5	0	1	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**136,778**	**11**	**0**	**1**	**0**
0	**0**	**0**	**0**	**136,778**	**11**	**0**	**1**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

million CZK	Total [gross] carrying amount	31 December 2023				
		Climate Change Mitigation (CCM)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator						
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	211,415	131,384	0	0	0	0
Financial undertakings	**2,177**	**0**	**0**	**0**	**0**	**0**
Credit institutions	2,177	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	2,177	0	0	0	0	0
Equity instruments	0	0		0	0	0
Other financial corporations	0	0	0	0	0	0
of which investment firms	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0		0	0	0
of which management companies	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0		0	0	0
of which insurance undertakings	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0		0	0	0
Non-financial undertakings	**1,059**	**1,059**	**0**	**0**	**0**	**0**
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	1,059	1,059	0	0	0	0
Equity instruments	0	0		0	0	0
Households	**208,179**	**130,324**	**0**	**0**	**0**	**0**
of which loans collateralised by residential immovable property	130,199	128,602	0	0	0	0
of which building renovation loans	0	0	0	0	0	0
of which motor vehicle loans	2,560	1,722	0	0	0	0
Local governments financing	**0**	**0**	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0	0	0
Other local government financing	0	0	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**84,518**	**0**	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings						
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations						
Loans and advances						
of which loans collateralised by commercial immovable property						
of which building renovation loans						
Debt securities						
Equity instruments						
Non-EU country counterparties not subject to NFRD disclosure obligations						
Loans and advances						
Debt securities						
Equity instruments						
Derivatives						
On demand interbank loans						
Cash and cash-related assets						
Other categories of assets (e.g. Goodwill, commodities etc.)						
Total GAR assets	**295,933**	**131,384**	**0**	**0**	**0**	**0**
Assets not covered for GAR calculation						
Central governments and Supranational issuers						
Central banks exposure						
Trading book						
Total assets	**472,275**	**131,384**	**0**	**0**	**0**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations						
Financial guarantees	**2,236**	**0**	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**	**0**	**0**

31 December 2023

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**					**0**	**0**	**0**	**0**
0	0	0	0					0	0	0	0
0	0	0	0					0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

million CZK	31 December 2023			
	Pollution (PPC)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		
		Of which environmentally sustainable (Taxonomy-aligned)		
			Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0	0	0	0
Financial undertakings	**0**	**0**	**0**	**0**
Credit institutions	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Other financial corporations	0	0	0	0
of which investment firms	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which management companies	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which insurance undertakings	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Non-financial undertakings	**0**	**0**	**0**	**0**
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0
Other local government financing	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings				
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations				
Loans and advances				
of which loans collateralised by commercial immovable property				
of which building renovation loans				
Debt securities				
Equity instruments				
Non-EU country counterparties not subject to NFRD disclosure obligations				
Loans and advances				
Debt securities				
Equity instruments				
Derivatives				
On demand interbank loans				
Cash and cash-related assets				
Other categories of assets (e.g. Goodwill, commodities etc.)				
Total GAR assets	**0**	**0**	**0**	**0**
Assets not covered for GAR calculation				
Central governments and Supranational issuers				
Central banks exposure				
Trading book				
Total assets	**0**	**0**	**0**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations				
Financial guarantees	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**

31 December 2023

Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
0	0	0	0	131,384	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	**0**	**0**	**0**	**1,059**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	1,059	0	0	0	0
0	0		0	0	0		0	0
				130,324	**0**	**0**	**0**	**0**
				128,602	0	0	0	0
				0	0	0	0	0
				1,722	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**131,384**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**131,384**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

1. ASSETS FOR THE CALCULATION OF GAR BASED ON CAPEX

million CZK	Total [gross] carrying amount	31 December 2024 Climate Change Mitigation (CCM)	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator						
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	219,540	136,651	5	0	1	0
Financial undertakings	**4,150**	**80**	**0**	**0**	**0**	**0**
Credit institutions	2,995	80	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	2,995	80	0	0	0	0
Equity instruments	0	0	0		0	0
Other financial corporations	1,154	0	0	0	0	0
of which investment firms	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
of which management companies	399	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	397	0	0	0	0	0
Equity instruments	2	0	0		0	0
of which insurance undertakings	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
Non-financial undertakings	**1,444**	**0**	**0**	**0**	**0**	**0**
Loans and advances	1,444	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
Households	**213,946**	**136,572**	**5**	**0**	**1**	**0**
of which loans collateralised by residential immovable property	132,648	131,177	0	0	0	0
of which building renovation loans	3,039	3,039	0	0	0	0
of which motor vehicle loans	2,792	2,356	5	0	1	0
Local governments financing	**0**	**0**	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0	0	0
Other local government financing	0	0	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**90,378**	**0**	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings	**63,387**					
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	**58,021**					
Loans and advances	**57,996**					
of which loans collateralised by commercial immovable property	**39,635**					
of which building renovation loans	**480**					
Debt securities	**0**					
Equity instruments	**25**					
Non-EU country counterparties not subject to NFRD disclosure obligations	**5,366**					
Loans and advances	**5,326**					
Debt securities	**0**					
Equity instruments	**40**					
Derivatives	**2,314**					
On demand interbank loans	**3,616**					
Cash and cash-related assets	**3,771**					
Other categories of assets (e.g. Goodwill, commodities etc.)	**17,290**					
Total GAR assets	**309,918**	**136,651**	**5**	**0**	**1**	**0**
Assets not covered for GAR calculation	**199,374**					
Central governments and Supranational issuers	**113,417**					
Central banks exposure	**85,361**					
Trading book	**596**					
Total assets	**509,292**	**136,651**	**5**	**0**	**1**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations						
Financial guarantees	**2,573**	**0**	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**	**0**	**0**

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**			**0**		**0**	**0**	**0**	**0**
0	0	0	0			0		0	0	0	0
0	0	0	0			0		0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

million CZK	31 December 2024 Pollution (PPC)	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	
			Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0	0	0	0
Financial undertakings	**0**	**0**	**0**	**0**
Credit institutions	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Other financial corporations	0	0	0	0
of which investment firms	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which management companies	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which insurance undertakings	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Non-financial undertakings	**0**	**0**	**0**	**0**
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0
Other local government financing	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings				
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations				
Loans and advances				
of which loans collateralised by commercial immovable property				
of which building renovation loans				
Debt securities				
Equity instruments				
Non-EU country counterparties not subject to NFRD disclosure obligations				
Loans and advances				
Debt securities				
Equity instruments				
Derivatives				
On demand interbank loans				
Cash and cash-related assets				
Other categories of assets (e.g. Goodwill, commodities etc.)				
Total GAR assets	**0**	**0**	**0**	**0**
Assets not covered for GAR calculation				
Central governments and Supranational issuers				
Central banks exposure				
Trading book				
Total assets	**0**	**0**	**0**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations				
Financial guarantees	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**

31 December 2024

Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
0	0	0	0	136,651	5	0	1	0
0	**0**	**0**	**0**	**80**	**0**	**0**	**0**	**0**
0	0	0	0	80	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	80	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
				136,572	**5**	**0**	**1**	**0**
				131,177	0	0	0	0
				3,039	0	0	0	0
				2,356	5	0	1	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**136,651**	**5**	**0**	**1**	**0**
0	**0**	**0**	**0**	**136,651**	**5**	**0**	**1**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

million CZK	Total [gross] carrying amount	31 December 2023				
		Climate Change Mitigation (CCM)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)		
				Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator						
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	211,415	131,384	0	0	0	0
Financial undertakings	**2,177**	**0**	**0**	**0**	**0**	**0**
Credit institutions	2,177	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	2,177	0	0	0	0	0
Equity instruments	0	0	0		0	0
Other financial corporations	0	0	0	0	0	0
of which investment firms	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
of which management companies	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
of which insurance undertakings	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	0	0	0	0	0	0
Equity instruments	0	0	0		0	0
Non-financial undertakings	**1,059**	**1,059**	**0**	**0**	**0**	**0**
Loans and advances	0	0	0	0	0	0
Debt securities, including UoP	1,059	1,059	0	0	0	0
Equity instruments	0	0	0		0	0
Households	**208,179**	**130,324**	**0**	**0**	**0**	**0**
of which loans collateralised by residential immovable property	130,199	128,602	0	0	0	0
of which building renovation loans	0	0	0	0	0	0
of which motor vehicle loans	2,560	1,722	0	0	0	0
Local governments financing	**0**	**0**	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0	0	0
Other local government financing	0	0	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**84,518**	**0**	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings						
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations						
Loans and advances						
of which loans collateralised by commercial immovable property						
of which building renovation loans						
Debt securities						
Equity instruments						
Non-EU country counterparties not subject to NFRD disclosure obligations						
Loans and advances						
Debt securities						
Equity instruments						
Derivatives						
On demand interbank loans						
Cash and cash-related assets						
Other categories of assets (e.g. Goodwill, commodities etc.)						
Total GAR assets	**295,933**	**131,384**	**0**	**0**	**0**	**0**
Assets not covered for GAR calculation						
Central governments and Supranational issuers						
Central banks exposure						
Trading book						
Total assets	**472,275**	**131,384**	**0**	**0**	**0**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations						
Financial guarantees	**2,236**	**0**	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**	**0**	**0**

31 December 2023

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0	0		0
0	**0**	**0**	**0**					**0**	**0**	**0**	**0**
0	0	0	0					0	0	0	0
0	0	0	0					0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

million CZK	31 December 2023 Pollution (PPC)	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	
			Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0	0	0	0
Financial undertakings	**0**	**0**	**0**	**0**
Credit institutions	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Other financial corporations	0	0	0	0
of which investment firms	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which management companies	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
of which insurance undertakings	0	0	0	0
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Non-financial undertakings	**0**	**0**	**0**	**0**
Loans and advances	0	0	0	0
Debt securities, including UoP	0	0	0	0
Equity instruments	0	0		0
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0**	**0**	**0**	**0**
Housing financing	0	0	0	0
Other local government financing	0	0	0	0
Collateral obtained by taking possession: residential and commercial immovable properties	**0**	**0**	**0**	**0**
Assets excluded from the numerator for GAR calculation (covered in the denominator)	**0**	**0**	**0**	**0**
Financial and Non-financial undertakings				
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations				
Loans and advances				
of which loans collateralised by commercial immovable property				
of which building renovation loans				
Debt securities				
Equity instruments				
Non-EU country counterparties not subject to NFRD disclosure obligations				
Loans and advances				
Debt securities				
Equity instruments				
Derivatives				
On demand interbank loans				
Cash and cash-related assets				
Other categories of assets (e.g. Goodwill, commodities etc.)				
Total GAR assets	**0**	**0**	**0**	**0**
Assets not covered for GAR calculation				
Central governments and Supranational issuers				
Central banks exposure				
Trading book				
Total assets	**0**	**0**	**0**	**0**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations				
Financial guarantees	**0**	**0**	**0**	**0**
Assets under management	**0**	**0**	**0**	**0**
Of which debt securities	**0**	**0**	**0**	**0**
Of which equity instruments	**0**	**0**	**0**	**0**

31 December 2023

Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
0	0	0	0	131,384	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0		0	0	0		0	0
0	**0**	**0**	**0**	**1,059**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	1,059	0	0	0	0
0	0		0	0	0		0	0
				130,324	**0**	**0**	**0**	**0**
				128,602	0	0	0	0
				0	0	0	0	0
				1,722	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**131,384**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**131,384**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

2. GAR SECTOR INFORMATION

	Climate Change Mitigation (CCM)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector - NACE 4 digits level (code and label)	Mn CZK	Of which environmentally sustainable (CCM)	Mn CZK	Of which environmentally sustainable (CCM)
A02.10 - Silviculture and other forestry activities	0	0		
A02.20 - Logging	0	0		
A02.30 - Gathering of wild growing non-wood products	0	0		
A02.40 - Support services to forestry	0	0		
B09.10 - Support activities for petroleum and natural gas extraction	0	0		
C16.23 - Manufacture of other builders' carpentry and joinery	0	0		
C20.11 - Manufacture of industrial gases	0	0		
C20.13 - Manufacture of other inorganic basic chemicals	0	0		
C20.14 - Manufacture of other organic basic chemicals	0	0		
C20.15 - Manufacture of fertilisers and nitrogen compounds	0	0		
C20.16 - Manufacture of plastics in primary forms	0	0		
C21.10 - Manufacture of basic pharmaceutical products	0	0		
C21.20 - Manufacture of pharmaceutical preparations	0	0		
C22.20 - Manufacture of plastics products	0	0		
C22.22 - Manufacture of plastic packing goods	0	0		
C23.11 - Manufacture of flat glass	0	0		
C23.20 - Manufacture of refractory products	0	0		
C23.31 - Manufacture of ceramic tiles and flags	0	0		
C23.32 - Manufacture of bricks, tiles and construction products, in baked clay	0	0		
C23.43 - Manufacture of ceramic insulators and insulating fittings	0	0		
C23.51 - Manufacture of cement	0	0		
C23.60 - Manufacture of articles of concrete, cement and plaster	0	0		
C23.61 - Manufacture of concrete products for construction purposes	0	0		
C24.10 - Manufacture of basic iron and steel and of ferro-alloys	0	0		
C24.20 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0		
C24.31 - Cold drawing of bars	0	0		
C24.32 - Cold rolling of narrow strip	0	0		
C24.33 - Cold forming or folding	0	0		
C24.34 - Cold drawing of wire	0	0		
C24.42 - Aluminium production	0	0		
C24.51 - Casting of iron	0	0		
C24.52 - Casting of steel	0	0		
C24.53 - Casting of light metals	0	0		
C25.11 - Manufacture of metal structures and parts of structures	0	0		
C25.12 - Manufacture of doors and windows of metal	0	0		
C25.21 - Manufacture of central heating radiators and boilers	0	0		
C25.29 - Manufacture of other tanks, reservoirs and containers of metal	0	0		
C25.93 - Manufacture of wire products, chain and springs	0	0		
C25.99 - Manufacture of other fabricated metal products n.e.c.	0	0		
C26.10 - Manufacture of electronic components and boards	0	0		
C26.20 - Manufacture of computers and peripheral equipment	0	0		
C26.30 - Manufacture of communication equipment	0	0		
C26.40 - Manufacture of consumer electronics	0	0		
C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	0	0		
C27.10 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0	0		
C27.20 - Manufacture of batteries and accumulators	0	0		
C27.30 - Manufacture of wiring and wiring devices	0	0		
C27.31 - Manufacture of fibre optic cables	0	0		
C27.32 - Manufacture of other electronic and electric wires and cables	0	0		
C27.33 - Manufacture of wiring devices	0	0		
C27.40 - Manufacture of electric lighting equipment	0	0		
C27.51 - Manufacture of electric domestic appliances	0	0		
C27.90 - Manufacture of other electrical equipment	0	0		
C28.11 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0	0		
C28.12 - Manufacture of fluid power equipment	0	0		
C28.13 - Manufacture of other pumps and compressors	0	0		
C28.14 - Manufacture of other taps and valves	0	0		
C28.15 - Manufacture of bearings, gears, gearing and driving elements	0	0		

Climate Change Adaptation (CCA)				**Water and marine resources (WTR)**			
Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn CZK	Of which environmentally sustainable (CCA)	Mn CZK	Of which environmentally sustainable (CCA)	Mn CZK	Of which environmentally sustainable (WTR)	Mn CZK	Of which environmentally sustainable (WTR)
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	Climate Change Mitigation (CCM)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
	Mn CZK	Of which environmentally sustainable (CCM)	Mn CZK	Of which environmentally sustainable (CCM)
C29.10 - Manufacture of motor vehicles	0	0		
C29.20 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0	0		
C29.30 - Manufacture of parts and accessories for motor vehicles	0	0		
C30.10 - Building of ships and boats	0	0		
C30.20 - Manufacture of railway locomotives and rolling stock	0	0		
C30.30 - Manufacture of air and spacecraft and related machinery	0	0		
C30.90 - Manufacture of transport equipment n.e.c.	0	0		
C33.12 - Repair of machinery	0	0		
C33.13 - Repair of electronic and optical equipment	0	0		
C33.14 - Repair of electrical equipment	0	0		
C33.15 - Repair and maintenance of ships and boats	0	0		
C33.16 - Repair and maintenance of aircraft and spacecraft	0	0		
C33.17 - Repair and maintenance of other transport equipment	0	0		
C33.20 - Installation of industrial machinery and equipment	0	0		
C38.32 - Recovery of sorted materials	0	0		
D35.11 - Production of electricity	0	0		
D35.12 - Transmission of electricity	0	0		
D35.13 - Distribution of electricity	0	0		
D35.21 - Manufacture of gas	0	0		
D35.22 - Distribution of gaseous fuels through mains	0	0		
D35.30 - Steam and air conditioning supply	0	0		
E36.00 - Water collection, treatment and supply	0	0		
E37.00 - Sewerage	0	0		
E38.11 - Collection of non-hazardous waste	0	0		
E38.12 - Collection of hazardous waste	0	0		
E38.20 - Waste treatment and disposal	0	0		
E38.21 - Treatment and disposal of non-hazardous waste	0	0		
E38.22 - Treatment and disposal of hazardous waste	0	0		
E38.31 - Dismantling of wrecks	0	0		
E38.32 - Recovery of sorted materials	0	0		
E39.00 - Remediation activities and other waste management services	0	0		
F41.00 - Construction of buildings	0	0		
F41.10 - Development of building projects	0	0		
F41.20 - Construction of residential and non-residential buildings	0	0		
F41.20 - Construction of residential and non-residential buildings	0	0		
F42.00 - Civil engineering	0	0		
F42.11 - Construction of roads and motorways	0	0		
F42.12 - Construction of railways and underground railways	0	0		
F42.13 - Construction of bridges and tunnels	0	0		
F42.20 - Construction of utility projects	0	0		
F42.21 - Construction of utility projects for fluids	0	0		
F42.22 - Construction of utility projects for electricity and telecommunications	0	0		
F42.90 - Construction of other civil engineering projects	0	0		
F42.91 - Construction of water projects	0	0		
F42.99 - Construction of other civil engineering projects n.e.c.	0	0		
F43.00 - Specialised construction activities	0	0		
F43.10 - Demolition and site preparation	0	0		
F43.11 - Demolition	0	0		
F43.12 - Site preparation	0	0		
F43.21 - Electrical installation	0	0		
F43.22 - Plumbing, heat and air-conditioning installation	0	0		
F71.10 - Architectural and engineering activities and related technical consultancy	0	0		
F71.20 - Technical testing and analysis	0	0		
H49.10 - Passenger rail transport, interurban	0	0		
H49.20 - Freight rail transport	0	0		
H49.31 - Urban and suburban passenger land transport	0	0		
H49.32 - Taxi operation	0	0		
H49.39 - Other passenger land transport n.e.c.	0	0		
H49.41 - Freight transport by road	0	0		
H49.50 - Transport via pipeline	0	0		

Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn CZK	Of which environmentally sustainable (CCA)	Mn CZK	Of which environmentally sustainable (CCA)	Mn CZK	Of which environmentally sustainable (WTR)	Mn CZK	Of which environmentally sustainable (WTR)
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	Climate Change Mitigation (CCM)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
	Mn CZK	Of which environmentally sustainable (CCM)	Mn CZK	Of which environmentally sustainable (CCM)
H50.10 - Sea and coastal passenger water transport	0	0		
H50.20 - Sea and coastal freight water transport	0	0		
H50.30 - Inland passenger water transport	0	0		
H50.40 - Inland freight water transport	0	0		
H51.10 - Passenger air transport	0	0		
H51.21 - Freight air transport	0	0		
H52.21 - Service activities incidental to land transportation	0	0		
H52.22 - Service activities incidental to water transportation	0	0		
H52.23 - Service activities incidental to air transportation	0	0		
H52.24 - Cargo handling	0	0		
H52.29 - Other transportation support activities	0	0		
H53.10 - Postal activities under universal service obligation	0	0		
H53.20 - Other postal and courier activities	0	0		
J58.29 - Other software publishing	0	0		
J59.00 - Motion picture, video and television programme production, sound recording and music publishing activities	0	0		
J60.00 - Programming and broadcasting activities	0	0		
J61.00 - Telecommunications	0	0		
J62.00 - Computer programming, consultancy and related activities	0	0		
J62.01 - Computer programming activities	0	0		
J63.10 - Data processing, hosting and related activities; web portals	0	0		
J63.11 - Data processing, hosting and related activities	0	0		
K65.12 - Non-life insurance	0	0		
K65.20 - Reinsurance	0	0		
L68.00 - Real estate activities	0	0		
M71.00 - Architectural and engineering activities; technical testing and analysis	0	0		
M71.12 - Engineering activities and related technical consultancy	0	0		
M71.20 - Technical testing and analysis	0	0		
M72.00 - Scientific research and development	0	0		
M72.10 - Research and experimental development on natural sciences and engineering	0	0		
M74.90 - Other professional, scientific and technical activities n.e.c.	0	0		
N77.00 - Rental and leasing activities	0	0		
N77.11 - Renting and leasing of cars and light motor vehicles	0	0		
N77.12 - Renting and leasing of trucks	0	0		
N77.21 - Renting and leasing of recreational and sports goods	0	0		
N77.34 - Renting and leasing of water transport equipment	0	0		
N77.35 - Renting and leasing of air transport equipment	0	0		
N77.39 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	0	0		
N80.20 - Security systems service activities	0	0		
N81.30 - Landscape service activities	0	0		
O84.25 - Fire service activities	0	0		
P85.00 - Education	0	0		
Q84.00 - Public administration and defence; compulsory social security	0	0		
Q86.10 - Hospital activities	0	0		
Q86.90 - Other human health activities	0	0		
Q87.00 - Residential care activities	0	0		
Q88.99 - Other social work activities without accommodation n.e.c.	0	0		
R90.00 - Creative, arts and entertainment activities	0	0		
R91.00 - Libraries, archives, museums and other cultural activities	0	0		
R91.04 - Botanical and zoological gardens and nature reserves activities	0	0		
S95.21 - Repair of consumer electronics	0	0		
S95.22 - Repair of household appliances and home and garden equipment	0	0		

Remark: No Taxonomy-eligible exposure is subject to NFRD as at 31th December 2024.

Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn CZK	Of which environmentally sustainable (CCA)	Mn CZK	Of which environmentally sustainable (CCA)	Mn CZK	Of which environmentally sustainable (WTR)	Mn CZK	Of which environmentally sustainable (WTR)
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	Circular economy (CE)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector - NACE 4 digits level (code and label)	Mn CZK	Of which environmentally sustainable (CE)	Mn CZK	Of which environmentally sustainable (CE)
A02.10 - Silviculture and other forestry activities	0	0		
A02.20 - Logging	0	0		
A02.30 - Gathering of wild growing non-wood products	0	0		
A02.40 - Support services to forestry	0	0		
B09.10 - Support activities for petroleum and natural gas extraction	0	0		
C16.23 - Manufacture of other builders' carpentry and joinery	0	0		
C20.11 - Manufacture of industrial gases	0	0		
C20.13 - Manufacture of other inorganic basic chemicals	0	0		
C20.14 - Manufacture of other organic basic chemicals	0	0		
C20.15 - Manufacture of fertilisers and nitrogen compounds	0	0		
C20.16 - Manufacture of plastics in primary forms	0	0		
C21.10 - Manufacture of basic pharmaceutical products	0	0		
C21.20 - Manufacture of pharmaceutical preparations	0	0		
C22.20 - Manufacture of plastics products	0	0		
C22.22 - Manufacture of plastic packing goods	0	0		
C23.11 - Manufacture of flat glass	0	0		
C23.20 - Manufacture of refractory products	0	0		
C23.31 - Manufacture of ceramic tiles and flags	0	0		
C23.32 - Manufacture of bricks, tiles and construction products, in baked clay	0	0		
C23.43 - Manufacture of ceramic insulators and insulating fittings	0	0		
C23.51 - Manufacture of cement	0	0		
C23.60 - Manufacture of articles of concrete, cement and plaster	0	0		
C23.61 - Manufacture of concrete products for construction purposes	0	0		
C24.10 - Manufacture of basic iron and steel and of ferro-alloys	0	0		
C24.20 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0		
C24.31 - Cold drawing of bars	0	0		
C24.32 - Cold rolling of narrow strip	0	0		
C24.33 - Cold forming or folding	0	0		
C24.34 - Cold drawing of wire	0	0		
C24.42 - Aluminium production	0	0		
C24.51 - Casting of iron	0	0		
C24.52 - Casting of steel	0	0		
C24.53 - Casting of light metals	0	0		
C25.11 - Manufacture of metal structures and parts of structures	0	0		
C25.12 - Manufacture of doors and windows of metal	0	0		
C25.21 - Manufacture of central heating radiators and boilers	0	0		
C25.29 - Manufacture of other tanks, reservoirs and containers of metal	0	0		
C25.93 - Manufacture of wire products, chain and springs	0	0		
C25.99 - Manufacture of other fabricated metal products n.e.c.	0	0		
C26.10 - Manufacture of electronic components and boards	0	0		
C26.20 - Manufacture of computers and peripheral equipment	0	0		
C26.30 - Manufacture of communication equipment	0	0		
C26.40 - Manufacture of consumer electronics	0	0		
C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	0	0		
C27.10 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0	0		
C27.20 - Manufacture of batteries and accumulators	0	0		
C27.30 - Manufacture of wiring and wiring devices	0	0		
C27.31 - Manufacture of fibre optic cables	0	0		
C27.32 - Manufacture of other electronic and electric wires and cables	0	0		
C27.33 - Manufacture of wiring devices	0	0		
C27.40 - Manufacture of electric lighting equipment	0	0		
C27.51 - Manufacture of electric domestic appliances	0	0		
C27.90 - Manufacture of other electrical equipment	0	0		
C28.11 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0	0		
C28.12 - Manufacture of fluid power equipment	0	0		
C28.13 - Manufacture of other pumps and compressors	0	0		
C28.14 - Manufacture of other taps and valves	0	0		
C28.15 - Manufacture of bearings, gears, gearing and driving elements	0	0		

Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn CZK	Of which environmentally sustainable (PPC)	Mn CZK	Of which environmentally sustainable (PPC)	Mn CZK	Of which environmentally sustainable (BIO)	Mn CZK	Of which environmentally sustainable (BIO)
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	Circular Economy (CE)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
	Mn CZK	Of which environmentally sustainable (CE)	Mn CZK	Of which environmentally sustainable (CE)
C29.10 - Manufacture of motor vehicles	0	0		
C29.20 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0	0		
C29.30 - Manufacture of parts and accessories for motor vehicles	0	0		
C30.10 - Building of ships and boats	0	0		
C30.20 - Manufacture of railway locomotives and rolling stock	0	0		
C30.30 - Manufacture of air and spacecraft and related machinery	0	0		
C30.90 - Manufacture of transport equipment n.e.c.	0	0		
C33.12 - Repair of machinery	0	0		
C33.13 - Repair of electronic and optical equipment	0	0		
C33.14 - Repair of electrical equipment	0	0		
C33.15 - Repair and maintenance of ships and boats	0	0		
C33.16 - Repair and maintenance of aircraft and spacecraft	0	0		
C33.17 - Repair and maintenance of other transport equipment	0	0		
C33.20 - Installation of industrial machinery and equipment	0	0		
C38.32 - Recovery of sorted materials	0	0		
D35.11 - Production of electricity	0	0		
D35.12 - Transmission of electricity	0	0		
D35.13 - Distribution of electricity	0	0		
D35.21 - Manufacture of gas	0	0		
D35.22 - Distribution of gaseous fuels through mains	0	0		
D35.30 - Steam and air conditioning supply	0	0		
E36.00 - Water collection, treatment and supply	0	0		
E37.00 - Sewerage	0	0		
E38.11 - Collection of non-hazardous waste	0	0		
E38.12 - Collection of hazardous waste	0	0		
E38.20 - Waste treatment and disposal	0	0		
E38.21 - Treatment and disposal of non-hazardous waste	0	0		
E38.22 - Treatment and disposal of hazardous waste	0	0		
E38.31 - Dismantling of wrecks	0	0		
E38.32 - Recovery of sorted materials	0	0		
E39.00 - Remediation activities and other waste management services	0	0		
F41.00 - Construction of buildings	0	0		
F41.10 - Development of building projects	0	0		
F41.20 - Construction of residential and non-residential buildings	0	0		
F41.20 - Construction of residential and non-residential buildings	0	0		
F42.00 - Civil engineering	0	0		
F42.11 - Construction of roads and motorways	0	0		
F42.12 - Construction of railways and underground railways	0	0		
F42.13 - Construction of bridges and tunnels	0	0		
F42.20 - Construction of utility projects	0	0		
F42.21 - Construction of utility projects for fluids	0	0		
F42.22 - Construction of utility projects for electricity and telecommunications	0	0		
F42.90 - Construction of other civil engineering projects	0	0		
F42.91 - Construction of water projects	0	0		
F42.99 - Construction of other civil engineering projects n.e.c.	0	0		
F43.00 - Specialised construction activities	0	0		
F43.10 - Demolition and site preparation	0	0		
F43.11 - Demolition	0	0		
F43.12 - Site preparation	0	0		
F43.21 - Electrical installation	0	0		
F43.22 - Plumbing, heat and air-conditioning installation	0	0		
F71.10 - Architectural and engineering activities and related technical consultancy	0	0		
F71.20 - Technical testing and analysis	0	0		
H49.10 - Passenger rail transport, interurban	0	0		
H49.20 - Freight rail transport	0	0		
H49.31 - Urban and suburban passenger land transport	0	0		
H49.32 - Taxi operation	0	0		
H49.39 - Other passenger land transport n.e.c.	0	0		
H49.41 - Freight transport by road	0	0		
H49.50 - Transport via pipeline	0	0		

Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn CZK	Of which environmentally sustainable (PPC)	Mn CZK	Of which environmentally sustainable (PPC)	Mn CZK	Of which environmentally sustainable (BIO)	Mn CZK	Of which environmentally sustainable (BIO)
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	Circular Economy (CE)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
	Mn CZK	Of which environmentally sustainable (CE)	Mn CZK	Of which environmentally sustainable (CE)
H50.10 - Sea and coastal passenger water transport	0	0		
H50.20 - Sea and coastal freight water transport	0	0		
H50.30 - Inland passenger water transport	0	0		
H50.40 - Inland freight water transport	0	0		
H51.10 - Passenger air transport	0	0		
H51.21 - Freight air transport	0	0		
H52.21 - Service activities incidental to land transportation	0	0		
H52.22 - Service activities incidental to water transportation	0	0		
H52.23 - Service activities incidental to air transportation	0	0		
H52.24 - Cargo handling	0	0		
H52.29 - Other transportation support activities	0	0		
H53.10 - Postal activities under universal service obligation	0	0		
H53.20 - Other postal and courier activities	0	0		
J58.29 - Other software publishing	0	0		
J59.00 - Motion picture, video and television programme production, sound recording and music publishing activities	0	0		
J60.00 - Programming and broadcasting activities	0	0		
J61.00 - Telecommunications	0	0		
J62.00 - Computer programming, consultancy and related activities	0	0		
J62.01 - Computer programming activities	0	0		
J63.10 - Data processing, hosting and related activities; web portals	0	0		
J63.11 - Data processing, hosting and related activities	0	0		
K65.12 - Non-life insurance	0	0		
K65.20 - Reinsurance	0	0		
L68.00 - Real estate activities	0	0		
M71.00 - Architectural and engineering activities; technical testing and analysis	0	0		
M71.12 - Engineering activities and related technical consultancy	0	0		
M71.20 - Technical testing and analysis	0	0		
M72.00 - Scientific research and development	0	0		
M72.10 - Research and experimental development on natural sciences and engineering	0	0		
M74.90 - Other professional, scientific and technical activities n.e.c.	0	0		
N77.00 - Rental and leasing activities	0	0		
N77.11 - Renting and leasing of cars and light motor vehicles	0	0		
N77.12 - Renting and leasing of trucks	0	0		
N77.21 - Renting and leasing of recreational and sports goods	0	0		
N77.34 - Renting and leasing of water transport equipment	0	0		
N77.35 - Renting and leasing of air transport equipment	0	0		
N77.39 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	0	0		
N80.20 - Security systems service activities	0	0		
N81.30 - Landscape service activities	0	0		
O84.25 - Fire service activities	0	0		
P85.00 - Education	0	0		
Q84.00 - Public administration and defence; compulsory social security	0	0		
Q86.10 - Hospital activities	0	0		
Q86.90 - Other human health activities	0	0		
Q87.00 - Residential care activities	0	0		
Q88.99 - Other social work activities without accommodation n.e.c.	0	0		
R90.00 - Creative, arts and entertainment activities	0	0		
R91.00 - Libraries, archives, museums and other cultural activities	0	0		
R91.04 - Botanical and zoological gardens and nature reserves activities	0	0		
S95.21 - Repair of consumer electronics	0	0		
S95.22 - Repair of household appliances and home and garden equipment	0	0		

Remark: No Taxonomy-eligible exposure is subject to NFRD as at 31th December 2024.

Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn CZK	Of which environmentally sustainable (PPC)	Mn CZK	Of which environmentally sustainable (PPC)	Mn CZK	Of which environmentally sustainable (BIO)	Mn CZK	Of which environmentally sustainable (BIO)
0	0			0	0		
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	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector - NACE 4 digits level (code and label)	Mn CZK	Of which environmentally sustainable (CCM+CCA+ WTR +CE+PPC+BIO)	Mn CZK	Of which environmentally sustainable (CCM+CCA+ WTR +CE+PPC+BIO)
A02.10 - Silviculture and other forestry activities	0	0		
A02.20 - Logging	0	0		
A02.30 - Gathering of wild growing non-wood products	0	0		
A02.40 - Support services to forestry	0	0		
B09.10 - Support activities for petroleum and natural gas extraction	0	0		
C16.23 - Manufacture of other builders' carpentry and joinery	0	0		
C20.11 - Manufacture of industrial gases	0	0		
C20.13 - Manufacture of other inorganic basic chemicals	0	0		
C20.14 - Manufacture of other organic basic chemicals	0	0		
C20.15 - Manufacture of fertilisers and nitrogen compounds	0	0		
C20.16 - Manufacture of plastics in primary forms	0	0		
C21.10 - Manufacture of basic pharmaceutical products	0	0		
C21.20 - Manufacture of pharmaceutical preparations	0	0		
C22.20 - Manufacture of plastics products	0	0		
C22.22 - Manufacture of plastic packing goods	0	0		
C23.11 - Manufacture of flat glass	0	0		
C23.20 - Manufacture of refractory products	0	0		
C23.31 - Manufacture of ceramic tiles and flags	0	0		
C23.32 - Manufacture of bricks, tiles and construction products, in baked clay	0	0		
C23.43 - Manufacture of ceramic insulators and insulating fittings	0	0		
C23.51 - Manufacture of cement	0	0		
C23.60 - Manufacture of articles of concrete, cement and plaster	0	0		
C23.61 - Manufacture of concrete products for construction purposes	0	0		
C24.10 - Manufacture of basic iron and steel and of ferro-alloys	0	0		
C24.20 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0		
C24.31 - Cold drawing of bars	0	0		
C24.32 - Cold rolling of narrow strip	0	0		
C24.33 - Cold forming or folding	0	0		
C24.34 - Cold drawing of wire	0	0		
C24.42 - Aluminium production	0	0		
C24.51 - Casting of iron	0	0		
C24.52 - Casting of steel	0	0		
C24.53 - Casting of light metals	0	0		
C25.11 - Manufacture of metal structures and parts of structures	0	0		
C25.12 - Manufacture of doors and windows of metal	0	0		
C25.21 - Manufacture of central heating radiators and boilers	0	0		
C25.29 - Manufacture of other tanks, reservoirs and containers of metal	0	0		
C25.93 - Manufacture of wire products, chain and springs	0	0		
C25.99 - Manufacture of other fabricated metal products n.e.c.	0	0		
C26.10 - Manufacture of electronic components and boards	0	0		
C26.20 - Manufacture of computers and peripheral equipment	0	0		
C26.30 - Manufacture of communication equipment	0	0		
C26.40 - Manufacture of consumer electronics	0	0		
C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	0	0		
C27.10 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0	0		
C27.20 - Manufacture of batteries and accumulators	0	0		
C27.30 - Manufacture of wiring and wiring devices	0	0		
C27.31 - Manufacture of fibre optic cables	0	0		
C27.32 - Manufacture of other electronic and electric wires and cables	0	0		
C27.33 - Manufacture of wiring devices	0	0		
C27.40 - Manufacture of electric lighting equipment	0	0		
C27.51 - Manufacture of electric domestic appliances	0	0		
C27.90 - Manufacture of other electrical equipment	0	0		
C28.11 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0	0		
C28.12 - Manufacture of fluid power equipment	0	0		
C28.13 - Manufacture of other pumps and compressors	0	0		
C28.14 - Manufacture of other taps and valves	0	0		
C28.15 - Manufacture of bearings, gears, gearing and driving elements	0	0		

	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
	Mn CZK	Of which environmentally sustainable (CCM+CCA+ WTR +CE+PPC+BIO)	Mn CZK	Of which environmentally sustainable (CCM+CCA+ WTR +CE+PPC+BIO)
C29.10 - Manufacture of motor vehicles	0	0		
C29.20 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0	0		
C29.30 - Manufacture of parts and accessories for motor vehicles	0	0		
C30.10 - Building of ships and boats	0	0		
C30.20 - Manufacture of railway locomotives and rolling stock	0	0		
C30.30 - Manufacture of air and spacecraft and related machinery	0	0		
C30.90 - Manufacture of transport equipment n.e.c.	0	0		
C33.12 - Repair of machinery	0	0		
C33.13 - Repair of electronic and optical equipment	0	0		
C33.14 - Repair of electrical equipment	0	0		
C33.15 - Repair and maintenance of ships and boats	0	0		
C33.16 - Repair and maintenance of aircraft and spacecraft	0	0		
C33.17 - Repair and maintenance of other transport equipment	0	0		
C33.20 - Installation of industrial machinery and equipment	0	0		
C38.32 - Recovery of sorted materials	0	0		
D35.11 - Production of electricity	0	0		
D35.12 - Transmission of electricity	0	0		
D35.13 - Distribution of electricity	0	0		
D35.21 - Manufacture of gas	0	0		
D35.22 - Distribution of gaseous fuels through mains	0	0		
D35.30 - Steam and air conditioning supply	0	0		
E36.00 - Water collection, treatment and supply	0	0		
E37.00 - Sewerage	0	0		
E38.11 - Collection of non-hazardous waste	0	0		
E38.12 - Collection of hazardous waste	0	0		
E38.20 - Waste treatment and disposal	0	0		
E38.21 - Treatment and disposal of non-hazardous waste	0	0		
E38.22 - Treatment and disposal of hazardous waste	0	0		
E38.31 - Dismantling of wrecks	0	0		
E38.32 - Recovery of sorted materials	0	0		
E39.00 - Remediation activities and other waste management services	0	0		
F41.00 - Construction of buildings	0	0		
F41.10 - Development of building projects	0	0		
F41.20 - Construction of residential and non-residential buildings	0	0		
F41.20 - Construction of residential and non-residential buildings	0	0		
F42.00 - Civil engineering	0	0		
F42.11 - Construction of roads and motorways	0	0		
F42.12 - Construction of railways and underground railways	0	0		
F42.13 - Construction of bridges and tunnels	0	0		
F42.20 - Construction of utility projects	0	0		
F42.21 - Construction of utility projects for fluids	0	0		
F42.22 - Construction of utility projects for electricity and telecommunications	0	0		
F42.90 - Construction of other civil engineering projects	0	0		
F42.91 - Construction of water projects	0	0		
F42.99 - Construction of other civil engineering projects n.e.c.	0	0		
F43.00 - Specialised construction activities	0	0		
F43.10 - Demolition and site preparation	0	0		
F43.11 - Demolition	0	0		
F43.12 - Site preparation	0	0		
F43.21 - Electrical installation	0	0		
F43.22 - Plumbing, heat and air-conditioning installation	0	0		
F71.10 - Architectural and engineering activities and related technical consultancy	0	0		
F71.20 - Technical testing and analysis	0	0		
H49.10 - Passenger rail transport, interurban	0	0		
H49.20 - Freight rail transport	0	0		
H49.31 - Urban and suburban passenger land transport	0	0		
H49.32 - Taxi operation	0	0		
H49.39 - Other passenger land transport n.e.c.	0	0		
H49.41 - Freight transport by road	0	0		
H49.50 - Transport via pipeline	0	0		

	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
	Mn CZK	Of which environmentally sustainable (CCM+CCA+ WTR +CE+PPC+BIO)	Mn CZK	Of which environmentally sustainable (CCM+CCA+ WTR +CE+PPC+BIO)
H50.10 - Sea and coastal passenger water transport	0	0		
H50.20 - Sea and coastal freight water transport	0	0		
H50.30 - Inland passenger water transport	0	0		
H50.40 - Inland freight water transport	0	0		
H51.10 - Passenger air transport				
H51.21 - Freight air transport	0	0		
H52.21 - Service activities incidental to land transportation	0	0		
H52.22 - Service activities incidental to water transportation	0	0		
H52.23 - Service activities incidental to air transportation	0	0		
H52.24 - Cargo handling	0	0		
H52.29 - Other transportation support activities	0	0		
H53.10 - Postal activities under universal service obligation	0	0		
H53.20 - Other postal and courier activities	0	0		
J58.29 - Other software publishing	0	0		
J59.00 - Motion picture, video and television programme production, sound recording and music publishing activities	0	0		
J60.00 - Programming and broadcasting activities	0	0		
J61.00 - Telecommunications	0	0		
J62.00 - Computer programming, consultancy and related activities	0	0		
J62.01 - Computer programming activities	0	0		
J63.10 - Data processing, hosting and related activities; web portals	0	0		
J63.11 - Data processing, hosting and related activities	0	0		
K65.12 - Non-life insurance	0	0		
K65.20 - Reinsurance	0	0		
L68.00 - Real estate activities	0	0		
M71.00 - Architectural and engineering activities; technical testing and analysis	0	0		
M71.12 - Engineering activities and related technical consultancy	0	0		
M71.20 - Technical testing and analysis	0	0		
M72.00 - Scientific research and development	0	0		
M72.10 - Research and experimental development on natural sciences and engineering	0	0		
M74.90 - Other professional, scientific and technical activities n.e.c.	0	0		
N77.00 - Rental and leasing activities	0	0		
N77.11 - Renting and leasing of cars and light motor vehicles	0	0		
N77.12 - Renting and leasing of trucks	0	0		
N77.21 - Renting and leasing of recreational and sports goods	0	0		
N77.34 - Renting and leasing of water transport equipment	0	0		
N77.35 - Renting and leasing of air transport equipment	0	0		
N77.39 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	0	0		
N80.20 - Security systems service activities	0	0		
N81.30 - Landscape service activities	0	0		
O84.25 - Fire service activities	0	0		
P85.00 - Education	0	0		
Q84.00 - Public administration and defence; compulsory social security	0	0		
Q86.10 - Hospital activities	0	0		
Q86.90 - Other human health activities	0	0		
Q87.00 - Residential care activities	0	0		
Q88.99 - Other social work activities without accommodation n.e.c.	0	0		
R90.00 - Creative, arts and entertainment activities	0	0		
R91.00 - Libraries, archives, museums and other cultural activities	0	0		
R91.04 - Botanical and zoological gardens and nature reserves activities	0	0		
S95.21 - Repair of consumer electronics	0	0		
S95.22 - Repair of household appliances and home and garden equipment	0	0		

Remark: No Taxonomy-eligible exposure is subject to NFRD as at 31th December 2024.

3. GAR KPI STOCK BASED ON TURNOVER

% (compared to total covered assets in the denominator)	31 December 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-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator					
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	62.3%	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**5.0%**	**0.1%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	6.9%	0.2%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	6,9%	0.2%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Non-financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Households	**63.8%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
of which loans collateralised by residential immovable property	98.9%	0.0%	0.0%	0.0%	0.0%
of which building renovation loans	100.0%	0.0%	0.0%	0.0%	0.0%
of which motor vehicle loans	84.4%	0.2%	0.0%	0.0%	0.0%
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**44.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**					**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

% (compared to total covered assets in the denominator)	31 December 2024 Pollution (PPC) Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Non-financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2024

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total assets covered
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
0.0%	0.0%	0.0%	0.0%	62.3%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**5.0%**	**0.1%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**
0.0%	0.0%	0.0%	0.0%	6.9%	0.2%	0.0%	0.0%	0.0%	0.2%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	6.9%	0.2%	0.0%	0.0%	0.0%	0.2%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
				63.8%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
				98.9%	0.0%	0.0%	0.0%	0.0%	0.0%
				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
				84.4%	0.2%	0.0%	0.0%	0.0%	0.2%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**44.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

% (compared to total covered assets in the denominator)	31 December 2023				
	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-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator					
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	62.1%	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Non-financial undertakings	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	100.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Households	**62.6%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
of which loans collateralised by residential immovable property	98.8%	0.0%	0.0%	0.0%	0.0%
of which building renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%
of which motor vehicle loans	67.3%	0.0%	0.0%	0.0%	0.0%
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**44.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2023

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**					**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

% (compared to total covered assets in the denominator)	31 December 2023 Pollution (PPC) Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Non-financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2023

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total assets covered
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
0.0%	0.0%	0.0%	0.0%	62.1%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
				62.6%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
				98.8%	0.0%	0.0%	0.0%	0.0%	0.0%
				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
				67.3%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**44.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

3. GAR KPI STOCK BASED ON CAPEX

% (compared to total covered assets in the denominator)	31 December 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-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator					
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	62.2%	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**1.9%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	2.7%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	2.7%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Non-financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Households	**63.8%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
of which loans collateralised by residential immovable property	98.9%	0.0%	0.0%	0.0%	0.0%
of which building renovation loans	100.0%	0.0%	0.0%	0.0%	0.0%
of which motor vehicle loans	84.4%	0.2%	0.0%	0.0%	0.0%
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**44.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**					**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

% (compared to total covered assets in the denominator)	31 December 2024 Pollution (PPC) Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Non-financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2024

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total assets covered
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
0.0%	0.0%	0.0%	0.0%	62.2%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**1.9%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
				63.8%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
				98.9%	0.0%	0.0%	0.0%	0.0%	0.0%
				100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
				84.4%	0.2%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**44.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

% (compared to total covered assets in the denominator)	31 December 2023				
	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-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator					
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	62.1%	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Non-financial undertakings	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	100.0%	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%	0.0%
Households	**62.6%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
of which loans collateralised by residential immovable property	98.8%	0.0%	0.0%	0.0%	0.0%
of which building renovation loans	0.0%	0.0%	0.0%	0.0%	0.0%
of which motor vehicle loans	67.3%	0.0%	0.0%	0.0%	0.0%
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**44.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

31 December 2023

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**					**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%					0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

% (compared to total covered assets in the denominator)	31 December 2023			
	Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
			Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.0%	0.0%	0.0%	0.0%
Financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Credit institutions	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Other financial corporations	0.0%	0.0%	0.0%	0.0%
of which investment firms	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which management companies	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
of which insurance undertakings	0.0%	0.0%	0.0%	0.0%
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Non-financial undertakings	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Loans and advances	0.0%	0.0%	0.0%	0.0%
Debt securities, including UoP	0.0%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%		0.0%
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Housing financing	0.0%	0.0%	0.0%	0.0%
Other local government financing	0.0%	0.0%	0.0%	0.0%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total GAR assets	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Remark: All ratios shown in this template refer to the "Total [gross] carrying amount" of total Covered assets in both numerator and denominator (as reported in template 1. Assets for the calculation of GAR) for the relevant sector (at row level).

31 December 2023

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total assets covered
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
0.0%	0.0%	0.0%	0.0%	62.1%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
				62.6%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
				98.8%	0.0%	0.0%	0.0%	0.0%	0.0%
				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
				67.3%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
0.0%	**0.0%**	**0.0%**	**0.0%**	**44.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

4. GAR KPI FLOW BASED ON TURNOVER

% (compared to flow of total eligible assets)	31 December 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-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator					
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6.71%	0.00%	0.00%	0.00%	0.00%
Financial undertakings	**4.98%**	**0.14%**	**0.00%**	**0.00%**	**0.00%**
Credit institutions	6.89%	0.19%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	6.89%	0.19%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%
of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
Non-financial undertakings	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
Households	**6.79%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
of which loans collateralised by residential immovable property	9.95%	0.00%	0.00%	0.00%	0.00%
of which building renovation loans	1.87%	0.00%	0.00%	0.00%	0.00%
of which motor vehicle loans	45.26%	0.16%	0.00%	0.03%	0.00%
Local governments financing	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%
Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Total GAR assets	**4.75%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
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%	**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%	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%	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%	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%		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%	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%	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%	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%
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%	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%	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%	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%	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%	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%
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%	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%**	**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%	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%	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%		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%					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%	**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%	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%	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%**	**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%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

% (compared to total covered assets in the denominator)	31 December 2024 Pollution (PPC) Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.00%	0.00%	0.00%	0.00%
Financial undertakings	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Credit institutions	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
Other financial corporations	0.00%	0.00%	0.00%	0.00%
of which investment firms	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
of which management companies	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
of which insurance undertakings	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
Non-financial undertakings	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Housing financing	0.00%	0.00%	0.00%	0.00%
Other local government financing	0.00%	0.00%	0.00%	0.00%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Total GAR assets	**0.00%**	**0.00%**	**0.00%**	**0.00%**

31 December 2024

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total assets covered
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
0.00%	0.00%	0.00%	0.00%	6.71%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	**0.00%**	**0.00%**	**0.00%**	**4.98%**	**0.14%**	**0.00%**	**0.00%**	**0.00%**	**0.14%**
0.00%	0.00%	0.00%	0.00%	6.89%	0.19%	0.00%	0.00%	0.00%	0.19%
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%	0.00%	6.89%	0.19%	0.00%	0.00%	0.00%	0.19%
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%	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%	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%	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%	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%	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%	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%		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%
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%	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%	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%	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%	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%	0.00%
				6.79%	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
				9.95%	0.00%	0.00%	0.00%	0.00%	0.00%
				1.87%	0.00%	0.00%	0.00%	0.00%	0.00%
				45.26%	0.16%	0.00%	0.03%	0.00%	0.16%
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%	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%	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%**	**0.00%**
0.00%	**0.00%**	**0.00%**	**0.00%**	**4.75%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

4. GAR KPI FLOW BASED ON CAPEX

% (compared to flow of total eligible assets)	31 December 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-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator					
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6.65%	0.00%	0.00%	0.00%	0.00%
Financial undertakings	**1.92%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Credit institutions	2.66%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	2.66%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%
of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
Non-financial undertakings	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%	0.00%
Households	**6.79%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
of which loans collateralised by residential immovable property	9.95%	0.00%	0.00%	0.00%	0.00%
of which building renovation loans	1.87%	0.00%	0.00%	0.00%	0.00%
of which motor vehicle loans	45.26%	0.16%	0.00%	0.03%	0.00%
Local governments financing	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%
Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Total GAR assets	**4.71%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
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%	**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%	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%	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%	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%		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%	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%	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%	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%
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%	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%	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%	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%	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%	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%
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%	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%**	**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%	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%	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%		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%					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%	**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%	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%	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%**	**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%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

% (compared to total covered assets in the denominator)	31 December 2024 Pollution (PPC) Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling
GAR - Covered assets in both numerator and denominator				
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.00%	0.00%	0.00%	0.00%
Financial undertakings	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Credit institutions	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
Other financial corporations	0.00%	0.00%	0.00%	0.00%
of which investment firms	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
of which management companies	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
of which insurance undertakings	0.00%	0.00%	0.00%	0.00%
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
Non-financial undertakings	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Loans and advances	0.00%	0.00%	0.00%	0.00%
Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%
Equity instruments	0.00%	0.00%		0.00%
Households				
of which loans collateralised by residential immovable property				
of which building renovation loans				
of which motor vehicle loans				
Local governments financing	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Housing financing	0.00%	0.00%	0.00%	0.00%
Other local government financing	0.00%	0.00%	0.00%	0.00%
Collateral obtained by taking possession: residential and commercial immovable properties	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Total GAR assets	**0.00%**	**0.00%**	**0.00%**	**0.00%**

Remark: In this template, the relevant flow exposure is the gross book value of the equipment as of December 31 of the reporting year with the contract start date within the reporting year. This approach is consistently applied for both reporting years. Due to unclear methodology and recent guidance from the EU-Taxonomy FAQS, MONETA has changed the definition of "flow" since the last Sustainability Report (2023), where new lending limits were applied. All ratios shown in this template refer to the total covered assets in both the numerator and denominator (as shown in Template 1. Assets for GAR calculation) for the relevant sector (at the row level).

31 December 2024

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total assets covered
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
0.00%	0.00%	0.00%	0.00%	6.65%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	**0.00%**	**0.00%**	**0.00%**	**1.92%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
0.00%	0.00%	0.00%	0.00%	2.66%	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%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	2.66%	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%
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%	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%	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%	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%	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%	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%
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%	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%	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%	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%**	**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%	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%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
				6.79%	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
				9.95%	0.00%	0.00%	0.00%	0.00%	0.00%
				1.87%	0.00%	0.00%	0.00%	0.00%	0.00%
				45.26%	0.16%	0.00%	0.03%	0.00%	0.16%
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%	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%	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%**	**0.00%**
0.00%	**0.00%**	**0.00%**	**0.00%**	**4.71%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

5.KPI OFF-BALANCE SHEET EXPOSURES - STOCK

	31 December 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-aligned)			
% (compared to total eligible off-balance sheet assets)			Of which Use of Proceeds	Of which transitional	Of which enabling
Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%
Assets under management (AuM KPI)	0%	0%	0%	0%	0%

	31 December 2024			
	Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)			Of which Use of Proceeds	Of which enabling
Financial guarantees (FinGuar KPI)	0%	0%	0%	0%
Assets under management (AuM KPI)	0%	0%	0%	0%

5. KPI OFF-BALANCE SHEET EXPOSURES - FLOW

	31 December 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-aligned)			
% (compared to total eligible off-balance sheet assets)			Of which Use of Proceeds	Of which transitional	Of which enabling
Financial guarantees (FinGuar KPI)	0%	0%	0%	0%	0%
Assets under management (AuM KPI)	0%	0%	0%	0%	0%

	31 December 2024			
	Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)			Of which Use of Proceeds	Of which enabling
Financial guarantees (FinGuar KPI)	0%	0%	0%	0%
Assets under management (AuM KPI)	0%	0%	0%	0%

Remark: There are no Taxonomy-eligible Financial guarantees as at 31th December 2024. MONETA does not provide Asset Management.

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

31 December 2024

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0%

31 December 2024

Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

31 December 2024

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-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0%

5.5 EU TAXONOMY ADDITIONAL DISCLOSURE ON NUCLEAR AND GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	Result
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Employee meeting

We consider quality relationships across teams to be the foundation of success. That is why we hold informal staff meetings with barbecues and entertainment at our Prague and Ostrava headquarters.



ANNEX

THE LIST OF SIGNIFICANT INTERNAL POLICIES

Audit	• MONETA Internal Audit Charter
Compliance	• Charter and Rules of Procedure of Compliance & Anti-Fraud Committee • Client Personal Data Processing • Compliance Charter • Contacts with Regulator and Competition • MONETA Internal Policy Rulebook • Management of Personal Data, Banking Secrecy and Trade Secret breaches • Policy on Assessing the Suitability of Members of Elected Bodies and Key Function Holders in MONETA Money Bank, a.s. • Prevention of Improper Payments • Process for Processing of Serious Complaints and Regulatory Requests within MONETA • Protection of Bank Secrecy and Trade Secret • Rules for Prevention and Management of Conflict of Interest • Rules for Receiving and Handling Whistleblowing Notifications
Communication	• MONETA Corporate Social Responsibility (CSR) Rules • MONETA External Communication Rules • Procedure for processing applications of Nadace MONETA Clementia
Finance	• Charter and Rules of Procedure of Assets & Liability Committee • Charter and Rules of Procedure of Business Review Committee • MONETA Financial Reporting Standards • Investor relations in MONETA Money Bank a.s. • MONETA Crisis Liquidity Management and Contingency Plan • MONETA Funding and Management of the Market Risk in Non-banking Entities • Preparation and approval of the strategy for capital management and compliance with MREL requirements in MONETA Group • Rules for the Protection of Inside Information and Disposition of Investment Instruments in MONETA Money Bank, a.s.
Human Resources	• Charter and Rules of Procedure of Compensation Committee • Charter and Rules of Procedure of the MON FAIR Committee • Extension of Leave/Time Off Work Provided in Case of Significant Personal Obstacles to Work • Identification of Employees Classified as Material Risk Takers in MONETA • MONETA Code of Ethics • MONETA Employee Remuneration Policy • MONETA Principles of Planning and Recording the Working Hours of the Employees • Remuneration Policy of Material Risk Takers in MONETA • Remuneration Policy of the Supervisory Board and the Audit Committee

Legal	• MONETA Management • Organization of the General Meeting and Distribution of Profit Share (Dividend) in MONETA Money Bank, a.s. • Organizational Order of MONETA Money Bank, a.s. • Rules for Submitting Proposals and Distribution of Minutes from the Management Board Meetings of MONETA Money Bank, a.s. • Signature Rules of MONETA Money Bank, a.s.
Retail	• Handling of claims and complaints in MONETA • Rules and procedures for the post-sales controls process
Risk	• Charter and Rules of Procedure of Credit Committee • Charter and Rules of Procedure of Enterprise Risk Management Committee • Charter and Rules of Procedure of Operational Risk Committee • Fraud risk management and resolution in MONETA Group • Market Risk Management Regulation in MONETA • Measures in the Area of Prevention of Legitimisation of Proceeds of Crime and Financing of Terrorism • Measures to Separate Credit Transactions and Transactions within Investment Instruments • MONETA ICAAP Regulation • MONETA Liquidity Risk and Funding Management • MONETA Outsourcing Management • MONETA Recovery Plan and Processes in Case of Failure • Operational Risk Management Regulation • Procedure for Preparation and Approval of Risk Management Strategies in MONETA • System of Internal Principles Procedures and Control Measures to Meet the Obligations Set out by the Act No. 253/2008 Coll., on Selected Measures against Legitimisation of Proceeds of Crime and Financing of Terrorism, and Other Related Laws in MONETA Money Bank, a.s. • Vendor Risk Management
Cyber Security/IT	• Application Development Process and Implementation of Other Changes in MONETA • Applications Operation • Control of Access to Systems • Cyber Security Incident Management • Incident and Problem Management • Information Security • Principles of Information Security • Principles of Using Information Sources • Rules for Personal Data Anonymisation • Third Party Access to Information of MONETA • User Account Management
Shared Services	• Business Continuity Management Programme • Charter and Rules of Procedure of Business Continuity Management Committee • Organisation of Occupational Health and Safety Protection and Fire Protection • Waste Management in MONETA
Sustainability	• Charter and Rules of Procedure of Sustainability Committee • Rules for calculating MONETA's carbon footprint

2024 KEY PERFORMANCE INDICATORS OF THE MANAGEMENT BOARD AND KEY EXECUTIVE MANAGERS

TOMÁŠ SPURNÝ, Chief Executive Officer

CARL NORMANN VÖKT, Chief Risk Officer

JAN FRIČEK, Chief Financial Officer

JAN NOVOTNÝ, Chief Commercial Banking Officer

KLÁRA STARKOVÁ, Chief Operating Officer

ANDREW GERBER, Chief Retail Banking Officer

JAKUB VALENTA, Chief Digital Officer

JIŘÍ HUML, Chief Shared Services Officer

CHIEF EXECUTIVE OFFICER – TOMÁŠ SPURNÝ

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Net profit** (CZK bn)	30%	≥5.2	5.2
02.	**Total operating income** (CZK bn)	10%	≥12.4	12.2
03.	**Total OPEX** (CZK bn)	10%	≤5.8	5.8
04.	**RoTE** (%)	10%	≥17.0	17.0
05.	**Investment budget (CAPEX)** (CZK bn)	10%	≤0.85	0.90

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**Digital strategy implementation**
02.	**Implementation of Environmental, Social and Governance strategy** – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements incl. double materiality assessment, meet carbon reduction target and improve gender diversity
03.	**Manage relationship with the regulator**
04.	**Talent and succession planning programme implementation and manage corporate culture**
05.	**Engagement with investors**

CHIEF RISK OFFICER – CARL NORMANN VÖKT

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Net profit** (CZK bn)	20%	≥5.2	5.2
02.	**Cost of risk** (bps)	20%	≤21	30
03.	**Volume of NPL disposals** (CZK bn)	15%	≥0.7	0.63
04.	**NPL ratio** (%)	15%	≤2.0	2.0

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**Timely completion of regulatory milestones and requirements**
02.	**Improvements of risk model and system capabilities**
03.	**Implementation of Environmental, Social and Governance strategy** – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements, incl. double materiality assessment, enhance data collection capabilities within the commercial underwriting and collateral valuation processes
04.	**Deliver all assigned tasks to ensure compliance with DORA[1] and CRR III[2]**
05.	**Implementation of productivity improvement in KYC[3] and AML**

CHIEF FINANCIAL OFFICER – JAN FRIČEK

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Net profit** (CZK bn)	30%	≥5.2	5.2
02.	**Total operating income** (CZK bn)	10%	≥12.4	12.2
03.	**Total OPEX** (CZK bn)	10%	≤5.8	5.8
04.	**RoTE** (%)	10%	≥17.0	17.0
05.	**Investment budget (CAPEX)** (CZK bn)	10%	≤0.85	0.90

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**Finance area operational excellence for MONETA**
02.	**Maintain quality of disclosures and engagement with investors**
03.	**Manage relationship with the regulator**
04.	**Implementation of Environmental, Social and Governance strategy** – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements incl. double materiality assessment. Maintain MONETA's rating by MSCI index
05.	**Deliver all assigned tasks to ensure compliance with DORA[1]**

1 DORA = Digital Operational Resilience Act, Regulation (EU) 2022/2554.

2 CRR = Capital Requirements Regulation, Regulation (EU) No. 575/2013.

3 KYC = Know Your Customer.

Note: All presented figures were rounded.

CHIEF COMMERCIAL BANKING OFFICER – JAN NOVOTNÝ

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Operating income (Commercial)** (CZK m)	40%	≥4,553	4,439
02.	**Non-interest income[5] (Commercial)** (CZK m)	30%	≥903	858

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**Delivery of commercial deposits in the amount of CZK 94bn[4]**
02.	**Employee engagement** – keep key metrics in employee survey (main index, climate, eNPS, managerial index) in top quartile among the Bank departments[6]
03.	**Implementation of Environmental, Social and Governance strategy** – deliver all tasks under approved strategy, supporting fulfil of regulatory reporting requirements, ESG related data collection and improve gender diversity
04.	**Digital distribution** – improve lending volumes by 50% in small business via digital channels and complete entitlement model transition

CHIEF OPERATING OFFICER – KLÁRA STARKOVÁ

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Operating expenses (COO Division)** (CZK m)	30%	≤2,537	2,537
02.	**Investment budget (CAPEX, COO Division)** (CZK m)	20%	≤421	421
03.	**Net profit** (CZK bn)	10%	≥5.2	5.2
04.	**Investment budget (CAPEX)** (CZK m)	10%	≤850	900

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**Integration** – finalise WSO2 migration, complete TIF migration, prepare and implement strategy to discontinue support of external providers and internalise capabilities
02.	**Strategic initiatives** – NAS[7] technical upgrade and capacities strengthening. Continue to improve front-end system
03.	**Infrastructure initiatives** – cloud migration as per approved plan, implementation of backup solutions
04.	**ATM and branches** – ensure sharing of deposit-taking ATMs go live. Continue with branch reconstruction in line with approved plan
05.	**Data** – proceed with client data quality in line with approved plan and data operations team stabilisation
06.	**Implementation of Environmental, Social and Governance strategy** – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements incl. double materiality assessment. Meet carbon reduction target

4 Evaluation metrix: Delivered = 100% or more, Partially delivered = at least 90% but below 100% and Not delivered = below 90%.

5 Represents commercial net fee and commission income and FOREX income including MONETA Auto retail.

6 Evaluation metrix: Delivered = all 4 metrics are in top quartile, Partially delivered = 1-3 metrics are in top quartile and Not delivered = none of the metrics in top quartile.

7 NAS = New Approval System.

Note: All presented figures were rounded.

CHIEF RETAIL BANKING OFFICER – ANDREW GERBER

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Operating income (Retail)** (CZK m)	40%	≥7,933	7,735
02.	**Non-interest income[8] (Retail)** (CZK m)	20%	≥2,539	2,476
03.	**OPEX (Retail)** (CZK m)	10%	≤501	501

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**CAPEX discipline** – maintain and manage CAPEX budget at CZK 173 million
02.	**New web presence** – implement new web design by middle of 2024
03.	**Deliver stability and targeted sales** in retail deposits, new lending volumes (consumer loans and mortgages), distribution of insurance and asset management products
04.	**Product innovation** – introduction of premium current accounts and cards and asset management tranche / structured products

CHIEF DIGITAL OFFICER – JAKUB VALENTA

Quantitative targets				Total weight 50%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**Investment budget (CAPEX, Digital)** (CZK m)	20%	≤114	114
02.	**New lending volume (Fully online)** (CZK m)	20%	≥6,138	5,831
03.	**OPEX (Digital)** (CZK m)	10%	≤176	176

Qualitative targets	Total weight 50%
Nr.	**Objective**
01.	**Entitlement model** – delivery of key part including data migration until November 2024
02.	**SME segment digitalisation** – document centre allowing users to access documents related to their products, servicing zone for credit products and exposed APIs allowing users to access bank services
03.	**Improvement of maintenance quality** – reduction of number of incidents by 20% and reduction of digital channels downtimes
04.	**Built internal capability**
05.	**Delivery of functionalities for retail segment** according to quarterly prioritisation

CHIEF SHARED SERVICES OFFICER – JIŘÍ HUML

Quantitative targets				Total weight 70%
Nr.	**Objective**	**Weight**	**Target**	**Floor/Cap**
01.	**OPEX (Shared Services, incl. Lease costs)** (CZK m)	30%	≤1,201	1,201
02.	**Operating income (ATM)** (CZK m)	20%	≥110	104
03.	**CAPEX & OPEX of branch improvements** (CZK m)	20%	≤96	96

Qualitative targets	Total weight 30%
Nr.	**Objective**
01.	**Design and deliver branch improvement program** – reconstruction, relocation and limited improvements of given branch locations
02.	**Implementation of Environmental, Social and Governance strategy** – delivery of all assigned tasks under the approved ESG strategy and support for all ESG-related regulatory reporting requirements incl. double materiality assessment. Achieve an 83% reduction in carbon footprint compared to 2016 and maintain the share of electric cars at 2023 level[9]
03.	**Deliver operational improvements** – ensure sharing of deposit-taking ATMs go live. SWIFT outsourcing and front-end data box decommissioning

8 Represents retail net fee and commission income and FOREX income excluding MONETA Auto retail.

9 Share of electric cars on total car fleet at 66% in 2023.

Note: All presented figures were rounded.

Interbank Sports Tournament

We are not afraid to take on the competition outside of work! MONETA employees showed great athleticism at the Interbank Sports Tournament. They won the gold cup on the football field against strong competition from six other banks and represented us well in beach volleyball.



We are MONETA

GLOSSARY

Definition

ACCA	The Association of Chartered Certified Accountants
Act on Auditors	Act No. 93/2009 Coll., on auditors, as amended
AI	Artificial Intelligence
ALCO	Asset & Liability Committee
AML/CFT	Anti-Money Laundering and Combating the Financing of Terrorism
AML/CFT Act	Act No. 253/2008 Coll., on selected measures against the legitimization of proceeds of crime and the financing of terrorism, as amended
AMSB	Administrative, Management and Supervisory bodies
Annualised	Adjusted so as to reflect the relevant rate on the full year basis
APR	Annual Percentage Rate
ARAD	Public database that is part of the information service of the Czech National Bank. It is a uniform system of presenting a time series of aggregated data for individual statistics and financial market areas
ASA	Alternative standardised approaches for the calculation of the operational risk component of Regulatory Capital
ATM	Automated Teller Machine
Average balance of due to banks and due to customers	Two-point average of the beginning and ending balances of Due to banks and Due to customers for the period
Average balance of net interest earning assets	Two-point average of the beginning and ending balances of Net Interest Earning Assets for the period
Average balance of net loans to customers	Two-point average of the beginning and ending balances of Loans and receivables to customers for the period
Average balance of total assets	Two-point average of the beginning and ending balances of Total Assets for the period
Bank	MONETA Money Bank, a.s.
Banking book	All positions not included in Trading book
Basel III	The package of capital and liquidity requirements published by the Basel Committee intended to establish minimum liquidity requirements for credit institutions
Bn	Billion
Boards	The Management Board and the Supervisory Board
Bps	Basis points
BRRD	Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended
Building Savings Bank	MONETA Stavební Spořitelna, a.s. (formerly Wüstenrot stavební spořitelna a.s.)
Business Corporations Act	Act No. 90/2012 Coll., on business companies and co-operatives (Business Corporations Act), as amended
CAFC	Compliance & Anti-Fraud Committee
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditures
Capital Adequacy Ratio/CAR/Total Capital Ratio	Regulatory Tier 1 and Tier 2 capital expressed as a percentage of risk weighted assets (RWA, calculated pursuant to CRR)
Capital Markets Act	Act No. 256/2004 Coll., on Capital Market Business, as amended
CCBO	Chief Commercial Banking Officer
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CET 1 Capital Ratio/CET 1 ratio	CET 1 capital as a percentage of risk weighted assets (RWA, calculated pursuant to CRR)
CET 1/CET 1 Capital	Common equity Tier 1 capital represents regulatory capital which mainly consists of capital instruments and other items provided in the Article 26 of CRR, such as paid-up registered share capital, share premium, retained profits, disclosed reserves and reserves for general banking risks, which must be netted off against accumulated losses, certain deferred tax assets, certain intangible assets and shares held by the Bank in itself (calculated pursuant to CRR)

CFO	Chief Financial Officer
CH_4	Methane
CMMC	Credit Monitoring and Management Committee
CNB	Czech National Bank
CNB Decree No. 163/2014 Coll.	CNB Decree No. 163/2014 Coll. on the performance of the activity of banks, credit unions and investment firms, as amended
CO_2	Carbon dioxide
Core NPL coverage	Ratio (expressed as a percentage) of Loss Allowances created for NPL receivables to total amount of NPL receivables. MONETA uses the Core NPL Coverage measure because it shows the degree to which its non-performing loan portfolio is covered by allowances for losses created for the Stage 3 loans
Cost of funds (% Avg Deposits)	Interest expense and similar charges for the period (excl. deposit interest rate swaps and opportunistic repo interest expenses) divided by average balance of Due to banks, Due to customers, Issued bonds and Subordinated liabilities, excl. opportunistic repo operations and CSA. MONETA uses the cost of funds measure because it represents a relative measure of MONETA's cost of funding to its overall funding base comprised primarily of customer deposits
Cost of funds on customer deposits (% Avg Deposits)	Interest expense and similar charges on customer deposits for the period divided by the average balance of customer deposits. MONETA uses the cost of funds measure because it represents a relative measure of MONETA's cost of funding of core customer deposits to its average balance of customer deposits
Cost of risk/CoR (% Avg net customer loans)	Net impairment of financial assets (loans and receivables) for the period divided by the average balance of net loans to customers. MONETA uses the cost of risk measure because it describes the development of the credit risk in relative terms to its average loan portfolio balance
Cost to income ratio	Ratio (expressed as a percentage) of total operating expenses for the reported period to total operating income for the reported period. MONETA uses the cost to income ratio measure because it reflects the cost efficiency in relative terms to generated revenues
CR	Cure Rate
CRA	Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No. 1060/2009 on credit rating agencies, as amended
CRBO	Chief Retail Banking Officer
CRCO	Credit Committee
CRD	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended
Credit Valuation Adjustment/CVA	The difference between the risk-free portfolio value and the fair value of the portfolio that takes into account the possibility of a counterparty's default (calculated in accordance with CRR)
CRO	Chief Risk Officer
CRR	Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended
CRR 2	Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012
CRR III	Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No. 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor
CRS	Common Reporting Standard
CSA	Credit Support Annex is a legal document which regulates credit support (collateral) for derivative transactions
CSRD	Corporate Sustainability Reporting Directive EU 2022/2464
CSSO	Chief Shared Services Officer
CTI	Czech Trade Inspection Authority
Customer deposits	Due to customers excluding repo operations and CSA
CZK	Czech Koruna
CZSO	Czech Statistical Office
DE&I	Diversity, Equity, and Inclusion

Dividend yield	Dividend yield calculated as the ratio (expressed as a percentage) of the dividend per share paid in the financial year to the closing share price of the first trading day of the financial year. MONETA uses this ratio as it represents the annualised return on a share which MONETA pays out in the form of dividends in relative terms to the share price
DLP	Data Loss Prevention
DDoS	Distributed Denial-of-Service
DMA	Double Materiality Assessment
DORA	Digital Operational Resilience Act, Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011
EAD	Exposure at Default
Early Warning Indicators	Early Warning Indicators represent a set of daily measurements aimed at early identification of possible liquidity issues of MONETA
EBA	European Banking Authority
EBA-GL	European Banking Authority Guidelines on Internal Governance
EC	European Commission
ECAP	Model for calculation of internal capital requirement
ECL	Expected Credit Loss
EIB	European Investment Bank
EMIR regulation	European Market Infrastructure Regulation No 648/2012 of the European Parliament and of the council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories
Encumbered assets	Assets owned by the Group on which external parties reserve the right to make a valid claim for example on the basis of pledge or other security or otherwise
eNPS	Employee Net Promoter Score
ERMC	Enterprise Risk Management Committee
ESG	Environmental, Social and Corporate Governance
ESRS	European Sustainability Reporting Standards
ESRS 2	European Sustainability Reporting Standards 2
ETR	Effective Tax Rate
EU	European Union
EU Regulation No. 537/2014	Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC
EVIP	Executive Variable Incentive Plan
EVP	Executive Vice-President
Excess capital	Capital exceeding the management target capital ratio. MONETA uses the excess capital measure because it describes MONETA's capital in excess of capital held to maintain its target Capital Adequacy Ratio and represents the amount of capital which could potentially be used for growth, both organic and inorganic, or be paid out to its shareholders
Excess liquidity	Liquidity above the regulatory requirement for Liquidity Coverage Ratio of at least 100% as introduced by CRR effective from 1 January 2018. MONETA uses the excess liquidity to show high-quality liquid assets available above the minimum level needed to comply with the regulatory requirement
FATCA	Foreign Account Tax Compliance Act
Forborne receivables	Forborne receivables are receivables for which the Group provided the debtor with relief as it assessed that it would likely incur a loss if it did not do so
FVTOCI	Financial assets measured at fair value through other comprehensive income
FVTPL	Financial assets measured at fair value through profit or loss
GDP	Gross Domestic Product
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
GHG	Greenhouse gas
GRI	Global Reporting Initiative Sustainability Standards - International Framework for Sustainability Reporting

Gross performing receivables	Gross carrying amount of performing loans and receivables to customers as determined in accordance with the Bank's loan receivables categorisation rules (Standard, Watch)
Group	Bank and its consolidated subsidiaries
H	Half-year
HFC	Hydrofluorocarbon
High quality liquid assets/HQLA	According to Basel III regulation, assets that are easily and immediately converted into cash at little or no loss of value. MONETA considers as HQLA its cash balances, balances held in the central bank and Czech government bonds
HQ	Headquarter
HTC	Held To Collect
HTCS	Held To Collect and Sell
ICAAP	Internal Capital Adequacy Assessment Process
ICAAP report	The Bank's report on the internal capital adequacy assessment process
ICT	Information and communication technology
IDD	Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution
IFRS	International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board, the International Accounting Standards (IASs) adopted by the International Accounting Standards Board, the Standing Interpretation Committee abstracts (SICs) and the International Financial Reporting Interpretation Committee abstracts (IFRICs) as adopted or issued by the International Financial Reporting Interpretation Committee, in each case, as codified in the Commission Regulation (EC) No. 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council, as amended, or otherwise endorsed for use in the European Union
ILAAP	Internal Liquidity Adequacy Assessment Process
ILO	International Labour Organisation
Interest (and similar) income from loans to customers	Interest and similar income from loans to customers per note 6 to the Consolidated Financial Statements
Investment securities	Equity and debt securities in the Group's portfolio, consist of securities measured at amortised cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL)
IPO	Initial Public Offering of shares in the Bank to institutional investors by GE Capital
IRO	Impacts, Risks and Opportunities
ISO	International Organisation for Standardisation
Issued bonds	Mortgage backed bonds and MREL bonds
k	Thousands
KPI	Key Performance Indicator
LED	Light Emitting Diode
Leverage	Ratio calculated in accordance with CRR, as amended by CRR 2, as Group's Tier 1 capital divided by Group's total exposure
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender, Intersex, Queer/Questioning, and others
LGD	Loss Given Default
Liquid assets	Liquid assets are defined by the Group as cash and cash balances at the central bank, loans and receivables to banks and investment securities regardless of the purpose those assets are held by the Group
Liquidity buffer	Liquid assets that the Bank holds in compliance with CRR and EU Regulation 2015/61
Liquidity Coverage Ratio/LCR	Liquidity Coverage Ratio represents the ratio (expressed as a percentage) of MONETA's balance of high-quality liquid assets to its projected net liquidity outflows over a 30-day stress period, as calculated in accordance with CRR and EU Regulation 2015/61. MONETA uses this ratio to show its liquidity position
Loan to deposit ratio/L/D Ratio	Loan to deposit ratio calculated as net loans and receivables to customers divided by customer deposits. MONETA uses loan to deposit ratio measure to assess its liquidity level
Loss Absorption Amount	For the purpose of MREL equals to Pillar I and Pillar II capital requirement
LTIP	Long Term Incentive Plan
LTV/Loan to Value	The Loan to Value ratio (LTV) represents the ratio of gross carrying value of loan to fair value of collateral available at the reporting date
M	Millions

Management capital buffer	Management capital buffer represents a voluntary commitment of the Bank's management to be more prudent and to keep the minimum capital adequacy ratio 100bps above the regulatory binding overall capital minimum requirement
Material Risk Takers/MRTs	Employees with highly material influence and material influence on the overall risk profile of the Group, identified pursuant to Commission Delegated Regulation (EU) No. 604/2014 of 4 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards with respect to qualitative and appropriate quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile
Materials for the supervisory review and evaluation process	Summary of reports required by the regulator for the execution of the supervisory review and evaluation process. It includes mainly ICAAP report, ILAAP report, and Report about Stress Testing for Risk Management
MONETA	Bank and its consolidated subsidiaries
MONETA Auto	MONETA Auto, s.r.o.
MONETA Leasing	MONETA Leasing, s.r.o.
MONETA's/Bank's management	Management Board of MONETA Money Bank, a.s.
MONETA Money Bank	MONETA Money Bank, a.s.
Moody's	Moody's Deutschland GmbH
MREL	Minimum Requirement for own funds and eligible liabilities, the term used in EU legislation (BBRD, as transposed into Czech law by Act No. 374/2015 Coll., on recovery and resolution in the financial market) for the loss absorbing capital (LAC) of certain financial institutions
MROC	Model Risk Oversight Committee
MWh	Megawatt-hour
N2O	Nitrous oxide
NACE	Nomenclature of Economic Activities
NASDAQ	National Association of Securities Dealers Automated Quotes system
Net customer Loans	Net loans and receivables to customers per Financial Statements
Net Income or Profit after Tax or Net profit	Profit for the period after tax, on a consolidated basis unless this report states otherwise
Net Interest Earning Assets	Cash and balances with the central bank, investment securities, loans and receivables to banks, loans and receivables to customers and prior to the transition to IFRS 9 also financial assets at fair value through profit and loss, financial assets available for sale, financial assets held to maturity. Including encumbered assets and excluding hedging derivatives
Net Non-Interest Income	Total operating income less Net interest income for the period. MONETA uses the net non-interest income measure because this is an important metric for assessing and controlling the diversity of revenue streams
New volume/production	Aggregate of loan principal disbursed in the period for non-revolving loans. MONETA uses new volume/production metrics as it reflects performance of its distribution network and ability of the Group to generate new loans, which is key for the loan portfolio growth
NF_3	Nitrogen trifluoride
NGO	Non-Governmental Organization
NIM or Net Interest Margin (% Avg Int Earning Assets)	Net interest and similar income divided by the average balance of net interest earning assets. MONETA uses the net interest margin measure because this metric represents the primary measure of profitability showing margin between interest earned on interest earning assets (mainly loans to customers) and paid on interest bearing liabilities (mainly customer deposits) in relative terms to the average balance of interest earning assets
No.	Number
Non performing clients	Clients with exposures classified as Stage 3 according to IFRS 9
NPL Ratio/Non-performing loan ratio	Ratio (expressed as a percentage) of NPL to Gross loans and receivables to customers. MONETA uses the NPL ratio measure because it's the key indicator of portfolio quality and allows comparison to the market and peers
NPL/Non-Performing Loans	Non-performing loans as determined in accordance with the Bank's loan receivables categorisation rules (Substandard, Doubtful, Loss), Stage 3 according to IFRS 9 and gross loans from Stage POCI per IFRS 9 categorised as non-performing
NPS	Net promoter score is the difference between the % of promoters and the % of detractors. Based on a survey on consumer products
NSFR	Net Stable Funding Ratio calculated pursuant to "Basel III: the net stable funding ratio" published by Basel Committee on Banking Supervision in October 2014

Number of employees/FTEs	The average recalculated number of employees during the period is an average of the figures reported to the Czech Statistical Authority (CSA) on a monthly basis in accordance with Article 15 of Czech Act No. 518/2004. The figures reported to CSA equal to quotient of the following nominator and the following denominator. The nominator is defined as all hours worked by all employees, their related leaves/holidays and their related sick days. The denominator represents a standard working hour per employee and month. The number of employees includes members of the Management Board of MONETA Money Bank
NYSE	New York Stock Exchange
OCI	Other Comprehensive Income
OECD	Organisation for Economic Co-operation and Development
Online/Fully online volume/sales/ origination/production	Online volume/sale represents volume from leads initiated through digital channels and disbursed either through digital channels or branches; fully online volume/sales = volume from leads both initiated and disbursed in digital channels; online initiated = volume from leads initiated in digital channels but disbursed at a branch. MONETA uses the online sales/origination/production/volume because it reflects the production of MONETA's digital/online distribution channels
OPEX	Operational expenditures
Opportunistic repo operations	Repo transactions with counterparties which are closed on a back-to-back basis by reverse repo transactions with the CNB. MONETA uses this measure to show them separately from other repo operations
OpR	Operational risk
ORCO	Operational Risk Management
OR	Obligor's rating assigned to a borrower with respect to an individually managed exposure expressing the probability that the borrower will default in the following 12 months. As regards the portfolio managed exposures, the OR is designated as a credit rating (CR)
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of Default
Performing receivables	Performing Receivables as determined in accordance with MONETA's loan receivables categorisation rules (Standard, Watched)
PFC	Perfluorocarbon
Phantom shares	Cash-settled share-based remuneration arrangement awarded to Material Risk Takers as part of their variable remuneration under EVIP
PIT	Point-in-time matrices relevant for the calculation of PD and CR
PLC	Problem Loan Committee
POCI	Purchased or originated credit-impaired assets
Prague Stock Exchange	Burza cenných papírů Praha, a.s.
Primary banking customers	Retail customer with credit income of more than CZK 7 thousand on a current account at least twice in the last 3 months and commercial customers with at least nine initiated debit transactions in the previous 3 months or a client with an active not delinquent loan product
PSD 2	Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No. 1093/2010, and repealing Directive 2007/64/EC
PX Index	The PX index is the official price index of the Prague Stock Exchange. It is a free float weighted price index made up of the most liquid stocks
Q	Quarter
RCSA	Risk & Control Self Assessment
Recapitalisation amount	Range of 0% to 100% of Loss Absorption Amount (Pillar I and Pillar II requirement) taking into account proportion of insured deposits on total liabilities and Tier 1 Capital
Recovery and Resolution Act	Act No. 374/2015 Coll on recovery and resolution of crisis on the financial market as amended
Regulatory Capital	CET 1 (calculated pursuant to CRR)
Retail unsecured instalment loans/Consumer loans/Unsecured consumer loans	Non-purpose, unsecured and non-revolving loan to retail clients including Building savings and Bridging loans
Return on Average Assets/RoAA	Return on average assets calculated as profit after tax for the year divided by the Average balance of total assets. The average balance of total assets is calculated as a two point average from total assets as at the end of the reported year and prior year (31 December). MONETA uses RoAA measure because it is one of the key performance indicators used to assess MONETA's rentability of assets
Return on Average Equity /RoAE	Return on average equity calculated as profit for the period after tax for the year divided by average Tier 1 equity. The average balance of Tier 1 equity is calculated as a five-point average. MONETA uses RoAE measure because it is one of the key performance indicators used to assess MONETA's rentability of assets
Return on Equity/RoE	Return on equity calculated as profit after tax for the period divided by total equity

Return on Tangible Equity/RoTE/Reported RoTE	Consolidated profit after tax divided by tangible equity. MONETA uses the RoTE measure because it is one of the key performance indicators used to assess MONETA's rentability and performance
Risk Adjusted Yield (% Avg Net Customer Loans)	Interest and similar income from loans to customers less net impairment of financial assets divided by the average balance of net loans to customers. MONETA uses this metrics to show interest generated on the loan portfolio separately without credit risk in relative terms to its average balance
Risk-Weighted Assets/RWA/risk exposure	Risk weighted assets (calculated pursuant to CRR)
SDD	Sustainability Due Diligence
SDGs	UN Sustainable Development Goals
SF6	Sulphur hexafluoride
SFDR	Sustainable Finance Disclosures Regulation (EU) 2019/2088
SHG	Share Holding Guidelines
SICR	Significant Increase in Credit Risk
SIEM	Security Information and Event Management system
Small business	Entrepreneurs and small companies with an annual turnover of up to CZK 60 million
Small business (new) production	New Volume of unsecured instalment loans and receivables to customers
SME	An enterprise with an annual turnover of up to CZK 200 million
SME lending franchise	Investment loan and working capital
Spontaneous awareness	A percentage of people who express knowledge of a brand or product without prompting
SREP	Supervisory Review and Evaluation Process
SUSCO	Sustainability Committee
Tangible Equity	Calculated as total equity less intangible assets and goodwill
tCO_2e	Tonnes of carbon dioxide equivalent
Ths	Thousands
Tier 1 Capital	The aggregate of CET 1 capital and Additional Tier 1 capital
Tier 1 Capital Ratio	Tier 1 capital as a percentage of RWA
Tier 2 Capital	Regulatory capital which consists of capital instruments, subordinated loans and other items (including certain unsecured subordinated debt obligations with payment restrictions) provided in Article 62 of CRR
Total NPL Coverage	Ratio (expressed as a percentage) of total Loss allowances created for loans and receivables to customers to the amount of NPL receivables. MONETA uses the Total NPL Coverage measure because it shows the degree to which its Stage 3 loan portfolio is covered by total allowances created for credit losses
Total operating income after net impairment of financial assets	Calculated as total operating income less Net impairment of financial assets
Trading book	Trading book according to Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended (article 4, para 86)
TSR/Total Shareholder Return	Per Bloomberg methodology calculated as a ratio of difference between closing and opening share price to opening share price including reinvested dividend
TTC	Through-the-cycle matrices relevant for the calculation of PD and CR
UNGPs	United Nations Guiding Principles
VaR	Value at Risk
VAT	Value Added Tax
Yield on net customer loans (% Avg Net Customer Loans)	Interest and similar income from loans to customer divided by the Average balance of net loans to customers. MONETA uses the yield on the net customer loans measure because it represents interest generated on the loan portfolio in relative terms to its average balance and is one of the key performance indicators of its lending activities



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