2024

CONSOLIDATED
ANNUAL FINANCIAL REPORT

J&T BANKA

CONTENTS

1 PRESENTATION PART

1.1 Foreword

Dear Clients, Business Partners and Friends,

In 2024, J&T BANKA, a.s., achieved a profit of CZK 6.3 billion, which not only confirmed but also surpassed the record results of 2023. The Bank performed well in all three main areas of its business, i.e. asset management, financing and capital market services.

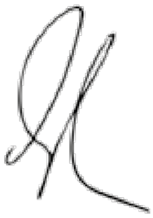
The J&T ARCH INVESTMENTS fund became the largest fund in the Czech-Slovak region. Thanks to the inflow of client investments, together with the appreciation achieved, the fund managed assets exceeding CZK 100 billion at the end of the year. Client assets at the Bank totaled more than CZK 720 billion. Fee income from client assets surpassed CZK 2.5 billion.

In financing, we managed to increase both the volume of loans provided and bond issues executed over the past year. At year-end, the amount of financing provided by the Bank reached CZK 111 billion. Last year, we also arranged bond issues for clients with a total volume of more than CZK 30 billion. The Bank thus remains the largest arranger of bond issues in the market and one of the leading institutions in growth financing.

In recent years, the Bank has invested in the development of new digital channels, and at the end of 2024, we began introducing new solutions to our clients. We believe the new digital channels will bring clients greater convenience in routine operations, however, trust and personal relationships with clients remain at the core of our business model.

Thank you for your trust, partnership and cooperation, which drive our growth.

Prague, 3 April 2025



Štěpán Ašer, MBA

CEO of J&T BANKA, a.s.

1.2 Basic information about J&T BANKA, a.s. and the consolidation unit of J&T BANKA, a.s.

J&T BANKA, a.s. with its registered office at Prague 8, Sokolovská 700/113a, Postal Code 186 00, Czech Republic, Company ID No.: 47 115 378, was registered as a joint stock company in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 1731 (hereinafter referred to as "the Bank") on 13 October 1992.

The Bank received a licence to act as securities trader on 25 April 2003 and on 22 December 2003, the Bank's licence was extended to include that activity.

The Bank focuses on private, investment, corporate and retail banking.

The Bank is subject to the regulatory requirements of the Czech National Bank ("CNB"). These requirements include limits and other restrictions concerning capital adequacy, other ratios set by CNB, classification of loans and off-balance sheet liabilities, large exposure, liquidity and the Bank's foreign currency position etc.

The Bank (including its branch in the Slovak Republic and Germany) had an average of 709 employees in 2024 (2023: 698). The bank operates in the Czech Republic, the Slovak Republic and Germany.

The Slovak branch of the Bank was established on 23 November 2005 and was registered in the Commercial Register of the District Court for Bratislava I, Section Po, Insert 1320/B as the organisational unit "J&T BANKA, a.s., branch of a foreign bank" with its registered office in Bratislava, 811 02, Dvořákovo nábrežie 8, identification number 35 964 693.

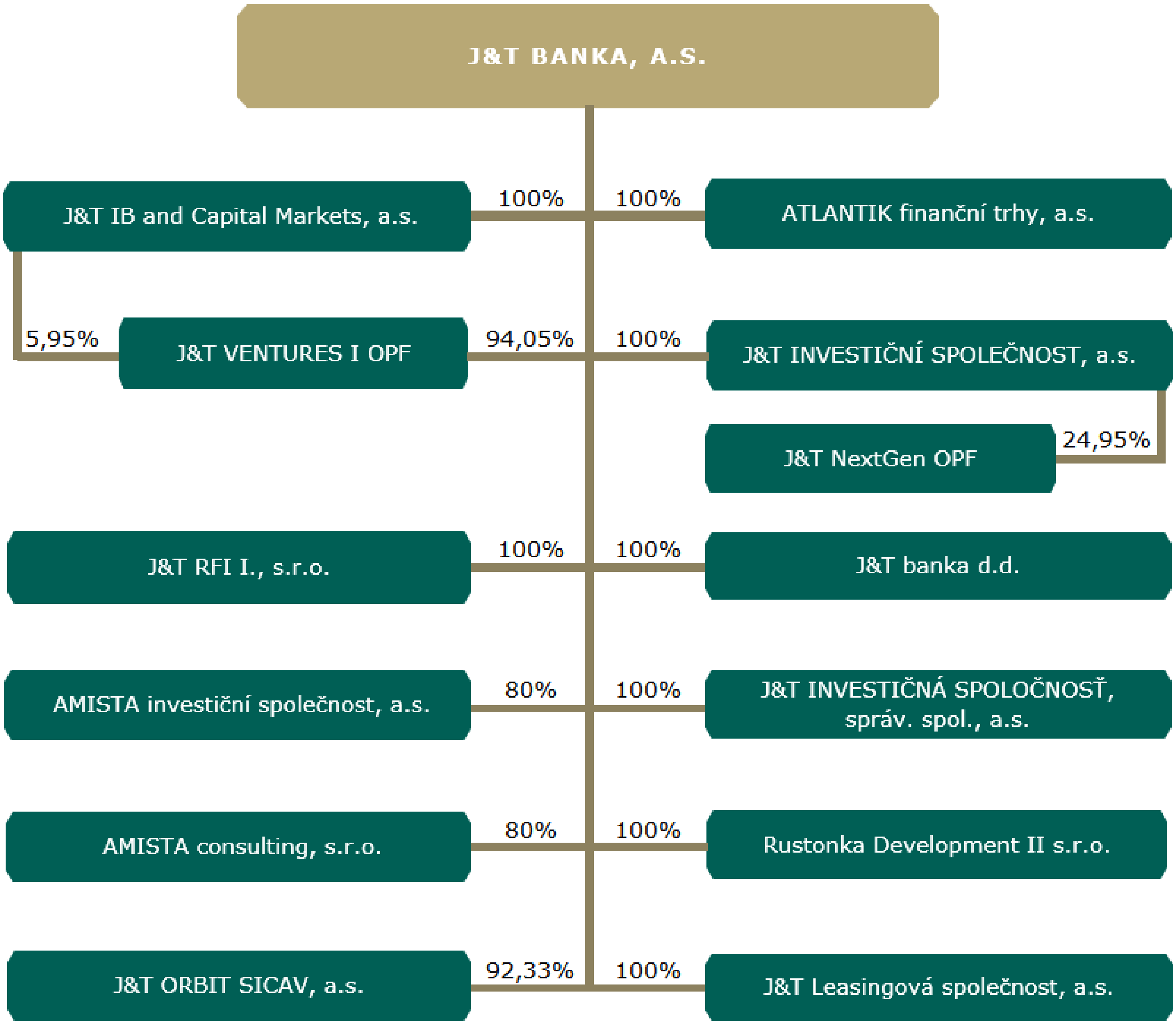
A German branch of the Bank was established on 21 September 2022, and was registered in the Commercial Register of the District Court of Frankfurt am Main as the organizational unit "J&T BANKA, a.s. Zweigniederlassung Deutschland", Franklinstraße 56, 60486 Frankfurt am Main, and with the identification number HRB 128706. The German branch of the Bank operates under the brand J&T Direktbank, as a fully digital bank since 27 February 2023.

The Bank's share capital of CZK 10,638 million is fully paid up and consists of 10,637,126 ordinary shares with a nominal value of CZK 1,000 per share and 700,000 ordinary shares with a nominal value of CZK 1.43 per share. The Bank's shares are book-entry securities in registered form and are freely transferable. 1,000 votes are associated with shares with a nominal value of CZK 1,000, 1.43 votes are associated with shares with a nominal value of CZK 1.43.

The ultimate parent company of the Bank is J&T FINANCE GROUP SE ("JTFG"), which is owned by Jozef Tkáč (45.05%), Ivan Jakabovič (35.15%), Rainbow Wisdom Investments Limited (9.90%), Štepán Ašer (4.95%) and Igor Kováč (4.95%).

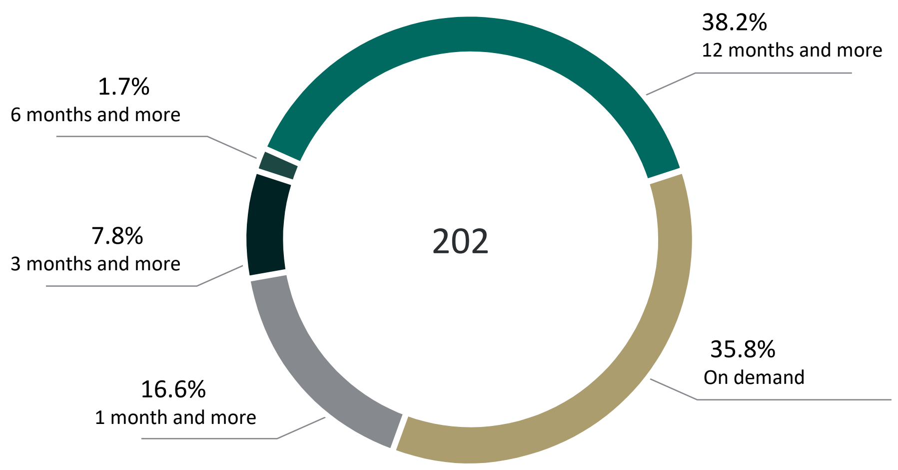
In January 2023, Moody's assigned the Bank a Baa2 investment rating with a stable outlook, and in May 2024, the rating agency confirmed the rating level.

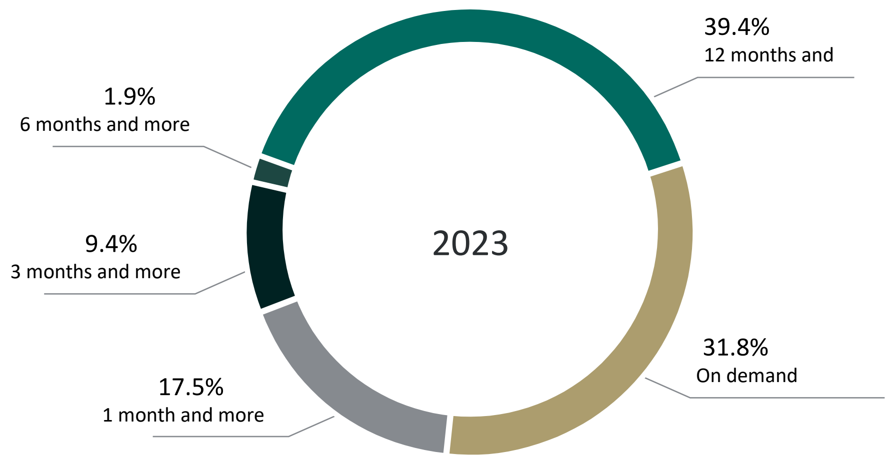
As of 31 December 2024, the consolidation unit of the Bank's group (the "Group") comprised the following companies:



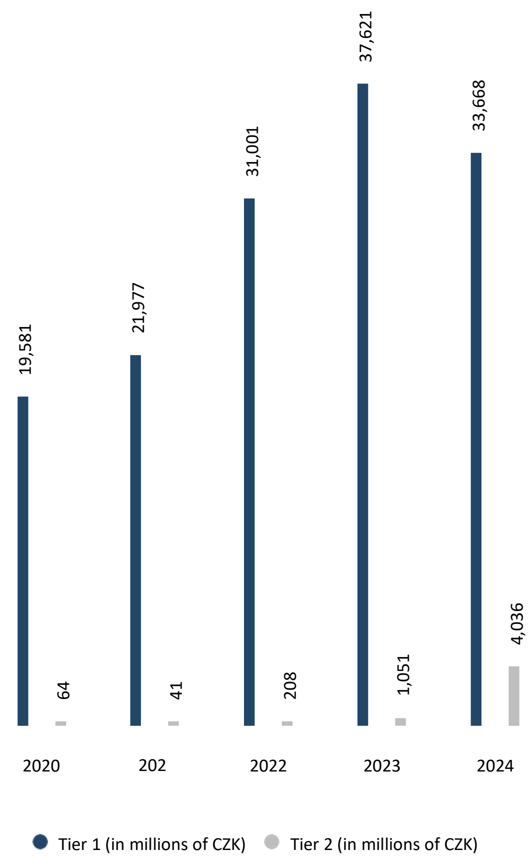
1.3 Selected financial indicators

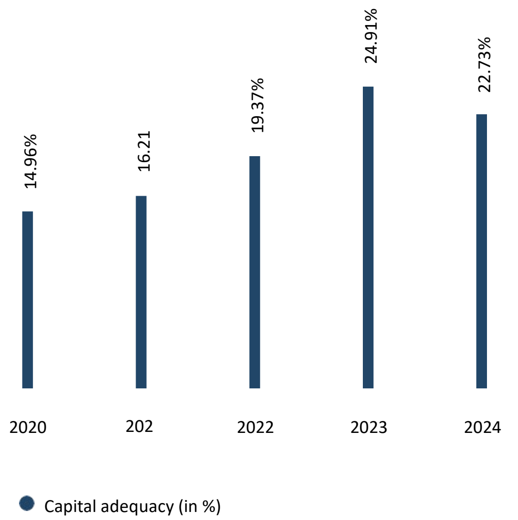
STRUCTURE OF DEPOSITS BY MATURITY – THE BANK





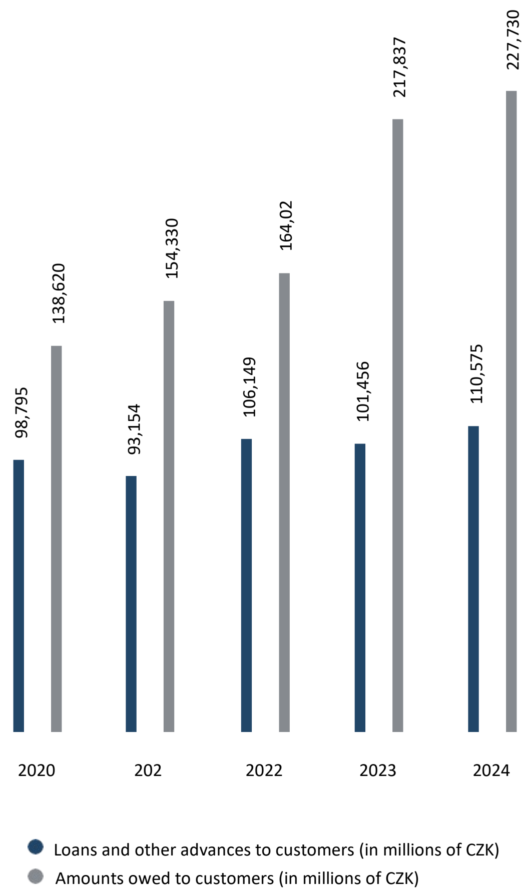
CAPITAL AND CAPITAL ADEQUACY – THE GROUP



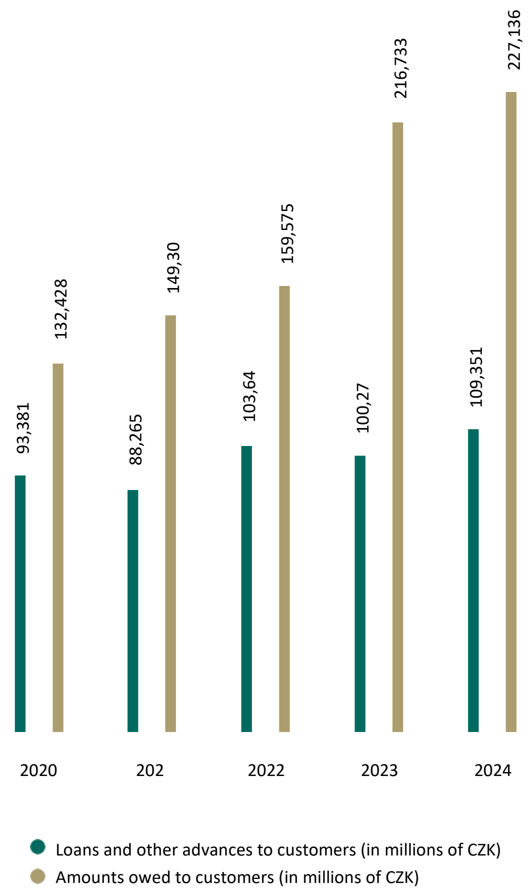


CAPITAL AND CAPITAL ADEQUACY – THE BANK

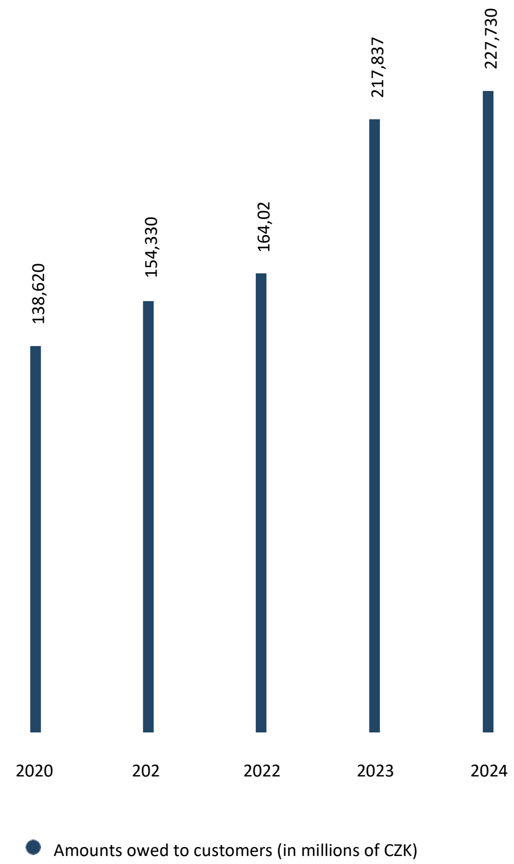
CLIENT DEPOSITS AND LOANS – THE GROUP

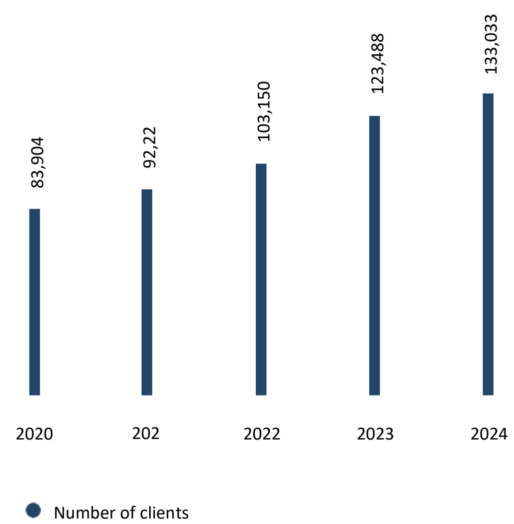


CLIENT DEPOSITS AND LOANS – THE BANK



CLIENT DEPOSITS AND NUMBER OF CLIENTS – THE GROUP





CLIENT DEPOSITS AND NUMBER OF CLIENTS – THE BANK

1.3.1 SELECTED FINANCIAL INDICATORS – THE GROUP

in millions of CZK	*2024*	*2023*	*2022*	*2021*	*2020*	*2019*
Annual figures						
Profit before tax	8,024	7,037	4,759	3,303	2,002	3,978
Tax	(1,718)	(1,645)	(1,379)	(499)	(336)	(822)
Share of profit in associates and joint ventures	-	(1)	142	543	169	(1)
Profit from continuing operations	6,306	5,392	3,380	2,804	1,666	3,156
Profit for the period	6,306	5,392	3,380	2,804	1,666	3,156
Year-end position						
Equity	40,983	40,957	35,856	26,223	22,537	21,514
Deposits and loans from banks	7,711	9,191	10,530	5,272	2,437	4,838
Deposits from customers	227,730	217,837	164,022	154,330	138,620	114,551
Receivables from banks	219	198	417	1,058	446	289
Loans and other advances to customers	110,575	101,456	106,149	93,154	98,795	68,320
Assets	317,690	293,084	227,253	203,251	175,037	151,722
Ratio indicators						
Return on equity	15.39%	14.04%	10.89%	11.50%	7.56%	15.49%
Return on assets	2.06%	2.07%	1.57%	1.48%	1.02%	2.09%
Capital adequacy	22.73%	24.91%	19.37%	16.21%	14.96%	16.48%
Cost to income ratio	36.63%	38.17%	32.60%	47.57%	48.79%	47.07%
Average number of employees	889	968	940	875	816	813
Assets per employee	357	303	242	232	215	187
Administrative costs per employee	(5)	(4)	(4)	(3)	(3)	(3)
Profit after tax per employee	7	6	4	3	2	4

1.3.2 SELECTED FINANCIAL INDICATORS – THE BANK

in millions of CZK	*2024*	*2023*	*2022*	*2021*	*2020*	*2019*
Annual figures						
Profit before tax	7,847	7,829	5,347	1,879	1,349	3,619
Tax	(1,495)	(1,508)	(1,227)	(420)	(292)	(740)
Profit for the period	6,352	6,321	4,120	1,459	1,057	2,879
Year-end position						
Equity	39,555	39,690	35,054	23,477	20,888	19,991
Deposits and loans from banks	6,763	8,256	8,520	4,298	1,405	4,492
Deposits from customers	227,136	216,733	159,575	149,306	132,428	107,549
Receivables from banks	219	271	487	1,321	567	545
Loans and other advances to customers	109,351	100,270	103,644	88,265	93,381	62,959
Assets	314,884	289,436	220,172	194,134	166,236	141,889
Ratio indicators						
Return on equity	16.03%	16.91%	14.08%	6.58%	5.17%	14.92%
Return on assets	2.10%	2.48%	1.99%	0.81%	0.69%	2.02%
Capital adequacy	22.94%	24.84%	20.36%	17.65%	16.73%	18.28%
Cost to income ratio	33.75%	27.02%	28.30%	45.46%	47.14%	42.90%
Average number of employees	709	698	644	581	553	529
Assets per employee	444	415	342	334	301	268
Administrative costs per employee	(5)	(4)	(4)	(4)	(4)	(4)
Profit after tax per employee	9	9	6	3	2	5

1.4 Report of the Board of Directors

1.4.1 BANK MANAGEMENT

BOARD OF DIRECTORS

Ing. Patrik Tkáč	Chairman of the Board of Directors (until 15 August 2024)
Štěpán Ašer, MBA	Chairman of the Board of Directors (from 21 August 2024)
Ing. Igor Kováč	Member of the Board of Directors
Ing. Tomáš Klimíček	Member of the Board of Directors (until 4 March 2024)
Ing. Anna Macaláková	Member of the Board of Directors
Ing. Jan Kotek	Member of the Board of Directors
Ing. Michal Kubeš	Member of the Board of Directors (from 4 April 2024)
Ing. Petr Vodička	Member of the Board of Directors (until 2 December 2024)

AUTHORISED SIGNATORY

Ing. Alena Tkáčová

Ing. Mária Kešnerová (until 21 February 2024)

Ing. Michal Kubeš (until 3 April 2024)

SUPERVISORY BOARD

Ing. Jozef Tkáč	Chairman of the Supervisory Board
Ing. Ivan Jakabovič	Vice-Chairman of the Supervisory Board
Ing. Dušan Palcr	Member of the Supervisory Board
Mgr. Jozef Šepetka	Member of the Supervisory Board
Jitka Šustová	Member of the Supervisory Board
JUDr. Jaroslava Sragner	Member of the Supervisory Board
Jozef Kollár	Member of the Supervisory Board (from 26 February 2024)
Marc Derydt	Member of the Supervisory Board (from 26 February 2024)
Ing. Radoslav Míšek, Ph.D.	Member of the Supervisory Board (from 15 March 2024)

Further information on the composition and decision-making procedures of the Board of Directors and the Supervisory Board is provided in the Bank Bodies section.

1.4.2 FINANCIAL RESULTS OF THE GROUP

From the Group’s consolidated results perspective, 2024 can be characterised as the year of the reversal in the interest rate cycle. The Czech National Bank, followed by the European Central Bank, embarked on gradually lowering their key interest rates, which began to be reflected in the development of interest income and interest expense and, consequently, profits in the banking sector.

The Bank’s results on an individual basis account for the absolute majority of the Group’s consolidated assets and profit. Therefore, the Group’s consolidated results and profitability are almost entirely driven by the individual results of the Bank as well as the underlying trends and factors affecting the markets where the Bank operates.

Client deposits at the Bank, the amount of which largely determines the overall size of the Group’s consolidated balance sheet, reached its peak in 2024 and began to stabilize towards the end of the year, while at the same time, the loan book continued to grow.

Total assets increased by 8.4% year-on-year to CZK 317,690 million (compared to CZK 293,084 million in 2023) with an almost 17% increase in net profit after tax. At the end of 2024, the Group's profit reached CZK 6,306 million (compared to CZK 5,392 million in 2023).

Client deposits increased by 4.5% year-on-year to CZK 227,730 million (compared to CZK 217,837 million in 2023). Client deposits consist of term deposits, deposits cancellable with notice and balances on savings and current accounts. Term deposits (fixed-term deposits and deposits cancellable with notice) make up more than 80% of total client deposits.

In addition to traditional banking products, the Group offers its clients instruments that combine term deposits and deposits cancellable with notice with investment fund placements with attractive returns. Beyond the Czech and Slovak markets, the Group accepts deposits through its subsidiary J&T banka d.d. in Croatia and, since March 2023, also through its German branch operating under J&T Direktbank brand. J&T Direktbank is a fully digital platform offering clients current and savings accounts that can be managed through a simple online banking application. By collecting deposits on the German market, the Group strategically diversifies its deposit base geographically and in terms of currency. At the end of 2024, the German branch had more than 27 thousand clients who had deposited more than EUR 1 billion at J&T Direktbank. Total number of Group clients exceeded 133 thousand (compared to 123 thousand in 2023).

Due to pro-active business development and favourable macroeconomic environment, the Group was able to participate in financing of a number of interesting projects. This was reflected in the loan book growth, primarily corporate loans, which account for the bulk of loans and advances to customers at amortised cost. The gross corporate loan portfolio increased by 10.4% year-on-year to CZK 97,837 million (compared to CZK 88,645 million in 2023).

In margin lending, only carried out within the Group by the Bank, there were no major changes in 2024 – margin loans at the end of the year reached CZK 14,828 million (compared to CZK 14,883 million in 2023).

The quality of the Group's loan portfolio has been consistently improving, as evidenced by the positive development of the Non-Performing Loan Ratio (non-performing loans expressed as percentage of gross loan book), which declined to 2.9% (compared to 4.2% in 2023).

The growth in corporate loans, coupled with a stable volume of margin lending, resulted in an increase in net loans and advances to customers by 9.0% year-on-year to CZK 110,575 million (compared to CZK 101,456 million in 2023).

The faster growth of the loan book compared to the moderating growth in client deposits translated into higher Loan-to-Deposit Ratio which rose to 48.6% (compared to 46.6% in 2023).

The reversal in the Czech National Bank's monetary policy, which, after a period of monetary tightening and high interest rates, moved towards gradual easing accompanied by a decline in interest rates, was the main motivation behind a strategic decision to build a portfolio of liquid government bonds. The securities portfolio accounted for as financial assets at amortised cost increased to CZK 29,154 million (compared to CZK 4,540 million in 2023), and securities held across all types of the Group's portfolios increased, primarily due to these investments, to CZK 57,513 million (compared to CZK 31,440 million in 2023).

The Group's equity, including non-controlling interests and current year profit of CZK 40,983 million is comparable with previous year (compared to CZK 40,957 million in 2023). The capital strength is reflected in a high capital adequacy ratio, which stood at 22.73% at the end of the year (compared to 24.91% in 2023). The Bank as the regulated member of the Group is more than sufficiently capitalized, consistently exceeds all limits prescribed to it by the Czech National Bank and has ample capital buffer for its further growth. The Group's registered capital remained unchanged year-on-year at CZK 10,638 million.

Additional capital is made up of subordinated liabilities recognized by the Czech National Bank for the purposes of calculating capital adequacy. In 2024, the Group issued CZK 2,500 million subordinated bonds (Tier 2) with a 10-year maturity, which were admitted to trading on the regulated market of the Prague Stock Exchange. The Group also continued to offer subordinated deposits with attractive returns, resulting in an increase in their volume by CZK 851 million to CZK 2,107 million (compared to CZK 1,256 million in 2023).

The Group's interest income is driven by interest earned on loans and advances to customers, income from reverse repo operations with the central bank, and, to a lesser extent and depending on the actual balance sheet structure, also by income from interest-bearing securities.

Interest income from loans and advances to customers in 2024 was affected by two opposing factors. The 9.0% year-on-year growth in the loan portfolio, which accelerated especially in the fourth quarter, had a positive impact. The negative impact came from margin pressure in an environment of declining market interest rates. As a result of these counteracting effects, the Group's interest income from loans and advances to customers increased by 1.0% year-on-year to CZK 8,850 million (compared to CZK 8,775 million in 2023).

Interest income from repo operations grew by 3.2% year-on-year to CZK 7,957 million (compared to CZK 7,714 million in 2023). This increase was primarily attributable to a high volume of client deposits accompanied by a concurrent increase in the loan portfolio, with free liquidity being placed with the central bank.

Following the implementation of the strategic plan to build a portfolio of liquid government securities, interest income from bonds and other securities increased by 70.1% from CZK 905 million in 2023 to CZK 1,539 million in 2024.

Total interest income of the Group reached CZK 18,713 million (compared to CZK 17,709 million in 2023).

The key policy rate cuts by both the Czech National Bank and the European Central Bank led to a reduction in interest rates on client deposits. Lower rates on term deposits, which represent the majority of the deposit base, will be reflected with some delay depending on the maturity of individual contracts. This time lag, combined with the high volume of client deposits, led to a 25.4% year-on-year increase in interest expense which reached CZK 10,453 million (compared to CZK 8,333 million in 2023).

The Group's net interest income thus decreased by 11.9% year-on-year to CZK 8,260 million (compared to CZK 9,376 million in 2023).

Contribution of net fees and commissions into the Group's operating income is increasingly important, both in absolute and in relative terms. While net fee and commission income accounted for 16.1% of the Group's operating income in 2023, it represented nearly a quarter of the Group's operating income in 2024.

This increase is mainly attributable to the activities of the Bank's asset management subsidiaries managing funds dedicated to qualified investors as well as general public. A significant portion of non-interest income also comes from fees for underwriting, placement and administration of corporate bonds, fees from financial markets operations and foreign exchange transactions and custody fees. Non-interest income also includes fees related to lending, payment processing and other banking activities. The Group's consolidated net fee and commission income increased by 39.0% year-on-year to CZK 3,181 million (compared to CZK 2,289 million in 2023).

Net income from trading and investments reached CZK 1,102 million (compared to CZK 1,957 million in 2023), of which CZK 708 million (compared to CZK 769 million in 2023) was related to realized gains and revaluation of securities in the Bank's books, with the remainder coming from the impact of derivative transactions and foreign exchange differences arising from revaluation of balance sheet items.

The Group's operating expenses decreased by 13.9% to CZK 4,679 million (compared to CZK 5,434 million in 2023). The year-on-year decrease was primarily influenced by the higher comparative base of the previous year, in which the Group reported a loss from the sale of subsidiaries, joint ventures and associates totalling CZK 883 million. The impact of this item in the profit and loss statement in 2024 was only CZK 114 million.

The average number of employees in the Group decreased to 889 (compared to 968 in 2023). Personnel expenses increased by 3.5% year-on-year to CZK 2,057 million (compared to CZK 1,988 million in 2023), mainly due to wage increases caused by inflation.

The increase in other operating expenses was mainly driven by significant investments into information technology development, digitalization of sales channels and related IT infrastructure upgrades as well as increased marketing spend, including sponsorships. The indexation of rents and costs of services also contributed to the year-on-year increase. Conversely, the reduction in mandatory costs, particular lower contributions to the Resolution Fund, had a positive impact on operating expenses.

The Group reported profit before allowances, provisions and income tax of CZK 8,096 million (compared to CZK 8,803 million in 2023), representing an 8.0% year-on-year decrease. The operating efficiency measured as a ratio of operating expenses to operating income (Cost-to-Income Ratio), improved slightly due to lower operating expenses to 36.6% (compared to 38.2% in 2023).

A more stable economic environment in 2024 in comparison to the turbulent year of 2023 brought more conducive business conditions, positively affecting borrowers' creditworthiness and ability to pay, which was reflected in the Group's risk costs, as net change in loss allowances for financial instruments decreased year-on-year to CZK 72 million (compared to CZK 1,765 million in 2023).

1.4.3 FINANCIAL RESULTS OF THE BANK

The year 2024 can be characterized as a year of (i) stabilization of economic conditions after the turbulent year of 2023, (ii) turning point in the trend of interest rate development, and (iii) the peak of the Bank's balance sheet expansion, which increased during the first three calendar quarters but the growth reversed towards the end of the year, mainly due to the change in the dynamics in evolution of client deposits, and the Bank closed the year with total balance sheet of CZK 314,884 million (compared to CZK 289,436 million in 2023). Net profit after tax reached CZK 6,352 million (compared to CZK 6,321 million in 2023).

Client deposits increased year-on-year by 4.8% to CZK 227,136 million (compared to CZK 216,733 million). In terms of deposit structure, balances in current accounts decreased at the expense of term deposits, which grew to CZK 107,470 million (compared to CZK 94,570 million in 2023) and now account for almost half (47.3%) of all client deposits. Deposits cancellable with notice increased to CZK 81,720 million (compared to CZK 78,818 million in 2023) and now account for 36.0% of client deposits.

Balances in current accounts decreased to CZK 37,947 million (compared to CZK 43,344 million in 2023), and their share of client deposits is 16.7%.

By the end of 2024, the Bank had over 130 thousand depositors (compared to 121 thousand in 2023), with retail customers representing the key segment.

Term deposits and deposits cancellable with notice are the main source of funding of the Bank's lending business, and together account for more than 80% of all client deposits. Nearly 40% of the deposit base consists of term deposits with residual maturity exceeding 12 months.

The overall size of the client base as the primary funding source, both in terms of the number of clients and the absolute amount of deposits, represents an opportunity for optimizing the Bank's funding cost in the future while at the same time ensuring sufficient resources for the envisaged loan book expansion and maintaining comfortable liquidity buffer in line with the regulatory requirements and the Bank's internal limits.

In 2023, the rating agency Moody's assigned the Bank a Baa2 long-term deposit rating with a stable outlook and a Prime-2 short-term deposit rating. The assigned ratings are ratings in the prestigious investment-grade category and the Bank is one of a few companies in the Czech Republic and Slovakia with investment-grade ratings. All assigned ratings were confirmed by Moody's in May 2024.

Along with increasing funding base, adequate capitalization is another prerequisite for the Bank's stable and sustainable growth in the future. One of the Bank's strategic objectives is capital structure optimisation both in terms of the instruments used as well as the weighted average cost of capital. In 2024, the Bank paid dividends of CZK 4,300 million and redeemed two issues of perpetual certificates totaling CZK 1,575 million, which slightly reduced its equity to CZK 39,555 million (compared to CZK 39,690 million in 2023).

The Bank continued to offer subordinated deposits with attractive returns in 2024, resulting in an increase in their volume to CZK 2,107 million (compared to CZK 1,256 million in 2023) and issued CZK 2,500 million subordinated bonds (Tier 2) with a 10-year maturity, which were admitted to trading on the regulated market of the Prague Stock Exchange. The total amount of subordinated capital instruments increased to CZK 4,619 million (compared to CZK 1,256 million in 2023).

The Bank is well-capitalized, consistently exceeds all limits set by the Czech National Bank and has sufficient capital buffer for its envisaged growth in the coming years. The total capital adequacy ratio at the end of the year stood at 22.94% (compared to 24.84% in 2023).

Loans and advances to customers gross increased to CZK 112,148 million (compared to CZK 103,252 million in 2023), of which CZK 96,194 million were corporate loans (compared to CZK 87,163 million in 2023). The growth in the loan portfolio reflects the increased demand for financing from corporates that sought to take advantage of favourable market conditions and invest into the expansion of their business activities. Loans and advances to customers net increased by 9.1% year-on-year to CZK 109,351 million (compared to CZK 100,270 million in 2023).

Margin lending remained virtually unchanged year-on-year at CZK 14,828 million (compared to CZK 14,883 million in 2023).

The long-term positive trend of improving quality of the Bank's loan book continued in 2024, as evidenced by the improving ratio of non-performing loans to total gross loans, which decreased to 2.4% (compared to 3.4% in 2023).

Total amount of securities in all types of portfolios reached CZK 55,946 million (compared to CZK 29,477 million in 2023). The year-on-year increase was primarily due to the implementation of the Bank's strategic objective to build a portfolio of liquid government bonds as a more attractive alternative to excess liquidity placements with the central bank. As a result, there was a significant increase in the portfolio of government bonds denominated in Czech koruna and euro, reported as financial assets at amortised cost.

Apart from the government bond purchases, the principal tool for managing the Bank's liquidity buffer are still liquidity placements with the Czech National Bank through two-week repo operations with government treasury bills. The most liquid assets reported at the end of the year as cash and cash equivalents amounted to CZK 117,990 million (compared to CZK 139,968 million in 2023). The 15.7% year-on-year decrease is primarily attributable to the increase in the loan portfolio and the partial re-direction of free liquidity into government bonds.

The Loan-to-Deposit Ratio at the end of the year stood at 48.1% (compared to 46.3% in 2023).

One of the key macroeconomic factors affecting the banking sector is the development of key interest rates set by central banks. In 2024, Czech National Bank reversed its restrictive monetary policy and began lowering the key interest rates. The two-week repo rate thus gradually decreased from 7% to 4% during the year. A similar shift occurred in the Eurozone, where the European Central Bank's key interest rate for overnight sterilization operations (the so-called deposit facility) decreased from 4% to 3%.

The Bank's loan portfolio is over 80% denominated in euros, where the decline in interest rates was more moderate compared to the Czech koruna. Therefore, the reduction in interest rates in the Eurozone did not significantly impact the Bank's interest income from loans and advances to customers. The factor that positively affected the Bank's interest income was the increase in the loan portfolio. This ultimately led to a 7.5% increase in the Bank's interest income to CZK 18,565 million (compared to CZK 17,270 million in 2023).

Despite the decline in market interest rates, the Bank's interest expense increased year-on-year by 28.2% to CZK 10,418 million (compared to CZK 8,125 million in 2023). The growth in interest expense is mainly related to the development of the deposit base — the average volume of client deposits in 2024 was more than one-quarter higher than in 2023.

The relatively faster pace of growth in interest expense compared to the growth in interest income led to a decrease in the Bank's net interest income by 10.9% to CZK 8,147 million (compared to CZK 9,145 million in 2023).

In 2024, the Bank reported a significant increase in net fee and commission income, which grew by 36.3% year-on-year to CZK 1,975 million (compared to CZK 1,449 million in 2023). This increase was primarily driven by higher asset management fees, which increased by 56.6% year-on-year amid continued growth in assets under management. Fees for underwriting, placement and administration of corporate bonds increased by 45.4% year-on-year due to higher volume of new issues. Brokerage fees also increased by 12.2% year-on-year, driven by higher client activity in financial markets.

Net trading income, which amounted to CZK 1,086 million (compared to CZK 2,093 million in 2023), was by almost two-thirds made up of realized and unrealized gains on securities, mainly arising from the revaluation of share certificates held by the Bank. The remainder consists of exchange rate differences and revaluation of derivatives.

Dividends received from subsidiaries amounted to CZK 624 million (compared to CZK 260 million in 2023). The year-on-year increase was mainly due to the rapidly growing profitability of J&T INVESTIČNÍ SPOLEČNOST, a.s., the largest asset management subsidiary of the Bank.

Personnel expenses increased by 8.3% year-on-year to CZK 1,694 million (compared to CZK 1,564 million in 2023). The average number of employees remained virtually unchanged at around 700. The increase was thus mainly driven by wage inflation and current challenges in the labour market linked to hiring new talent and retaining qualified specialists.

Other operating expenses increased by 20.9% year-on-year to CZK 2,166 million (compared to CZK 1,791 million in 2023). Approximately half of these expenses were related to outsourcing services, particularly IS/IT. A significant portion also consisted of marketing expenses, including sponsorships and donations. The year-on-year increase was also driven by indexation of costs for building rentals and other services. On the other hand, the positive impact on operating costs came from the reduction in mandatory costs, particularly contributions to the Resolution Fund.

Total operating expenses, including depreciation and amortization, increased by 12.7% year-on-year to CZK 4,019 million (compared to CZK 3,566 million in 2023), and the Bank reported profit before allowances, provisions and income tax of CZK 7,889 million (compared to CZK 9,634 million in 2023).

The Bank's operating efficiency ratio, expressed as the ratio of operating expenses to operating income (Cost-to-Income Ratio), slightly worsened to 33.8% (compared to 27.0% in 2023) due to lower operating income and higher operating expenses.

Net change in loss allowances for financial instruments decreased year-on-year to CZK 42 million (compared to CZK 1,063 million in 2023). In 2024, the Bank did not book any loss from the sale of subsidiaries, joint ventures and associates (compared to CZK 742 million in 2023). Significant year-on-year decrease of total risk costs, fully offset the lower net interest income and lower fees from financial markets operations.

1.4.4 DEFINITION OF ALTERNATIVE PERFORMANCE INDICATORS USED

In accordance with the European Securities and Markets Authority's General Guidelines (ESMA/2015/1415) Alternative Performance Indicators and to maintain transparency, the following performance indicators used in the Consolidated Annual Financial Report are presented in this subsection.

Loan-to-Deposit Ratio (LTD ratio)

The indicator is primarily used to manage the Bank's liquidity. It is calculated as the ratio of 'Loans and advances to customers at amortised cost' to the end of the period and 'Deposits from customers' to the end of the period.

Return on Average Equity (ROAE)

The indicator represents the efficiency of equity capital utilisation and its resulting value expresses the ratio of net profit per one crown of equity capital. It is calculated as the ratio of the "profit for the accounting period" to the average "equity capital" for the current period calculated as the arithmetic average of the "equity capital" to the end of the current and previous period.

Return on Average Assets (ROAA)

The indicator reflects the level of efficient use of the Bank's assets. It is calculated as the ratio of the "Profit for the accounting period" to the average "Assets" for the current period calculated as the arithmetic average of the "Assets" as of the end of the current and previous period.

Cost-to-Income Ratio

The indicator provides investors with an insight into how efficiently management runs the Bank and its value expresses how much cost it takes to generate one unit of revenue. It is calculated as the ratio of "operating expenses" to "operating income".

The alternative performance indicators should only serve as complementary tools for assessing performance and for possible comparison with other banks in the market. The Bank publishes them as it considers them to be important indicators of its overall economic condition and its evolution over time.

1.4.5 FINANCIAL MARKETS

Inflation continued its return to lower levels, leading most central banks to reverse monetary policy. However, it has not been a smooth process. Particularly in the second half of the year, it began to appear that the previous inflation shock would take longer to unwind. This began to hinder some central banks in their deliberations on how quickly and to what levels to cut interest rates. At the same time, large differences began to emerge in the outlook for interest rates between currencies.

In the advanced economies, the Swiss Central Bank made its first rate cut in March, gradually reducing rates from 1.75% to a final 0.50%. In June, the European ECB joined in, cutting its deposit rate in four steps from 4.00% to 3.00% and indicating that it plans to continue easing monetary policy in 2025. The US Central Bank, the Fed, although it started the rate-cutting cycle with a bang in September, has since corrected its stance significantly. In December, the Fed cut rates by another 25 points to 4.25-4.50% (a total of 100 points in September), but also acknowledged that the next rate cut may not come so soon.

Bond markets went through several fluctuations during the year. Ironically, in the second half of the year, despite repeated interest rate cuts by central banks, bond yields rose to multi-month highs. For bonds with very long maturities (10-30 years), yields even reached their highest levels in 2 decades, in some cases even earlier records fell.

Central banks in Central Europe started cutting interest rates at the end of 2023 and continued this trend during the following year. The domestic CNB gradually cut interest rates from 6.75% to 4.00% in 2024, but stopped further rate cuts in December and indicated that it would be cautious with further rate cuts.

A historic milestone was passed in Japan, where the Central Bank ended its negative interest rate policy after 8 years, and then raised interest rates to the highest levels since 2009.

The global economy maintained a growth rate slightly above 3 per cent. Growth was supported by the unwinding of inflation and the subsequent reduction in interest rates. In the US, fears of a slowdown did not materialise, but the economy continued to grow at around 3 per cent without major wavering. The European economy experienced a slight recovery in growth, but some countries such as Germany continued to teeter on the edge of recession.

The year 2024 was again very positive for financial assets. Equity indices around the world reached new multi-year or all-time highs. The domestic PX index was no exception, rising by 24% to its highest levels since January 2008. On the commodity markets, gold continued its strong rise, breaking above the USD 2,700 level for the first time in history.

Significant events of 2024

January

J&T INVESTIČNÍ SPOLEČNOST, a.s. established a new fund called J&T NextGen co-managed by five students from the New PORG High School, who won a bronze medal in the prestigious Wharton Global High School Competition.

February

Following the CNB’s December cut in the base repo rate from its historical high of 7% to 6.75%, the CNB decided on 8 February 2024 to cut it further by 0.5 percentage point to 6.25%.

J&T INVESTIČNÍ SPOLEČNOSTI, a.s. funds recorded two successes in the announcement of the most successful funds of the Czech investment market in the Swiss Life Select Investment of the Year 2023 competition. Specifically, J&T OPPORTUNITY won first place in the equity fund category and J&T MONEY won third place in the progressive bond fund category.

J&T Direktbank, which opened in March 2023 as a purely digital bank, has surpassed the EUR 1 billion mark in deposits and expanded the Bank’s client family by more than 23,000 members.

March

On 20 March 2024, the CNB decided to cut the base repo rate again by 0.5 percentage point to 5.75%.

J&T ARCH INVESTMENTS announced its 2023 results with total net assets of CZK 55.08 billion (equivalent to EUR 2.23 billion), making it the largest fund in the Czech Republic and Slovakia. For 2023, the fund delivered a return to investors of 19% for the koruna class and almost 15% for the euro class.

April

The Bank published its 2023 results on a consolidated basis with the highest ever net profit of CZK 5.39 billion, an increase in the balance sheet total to CZK 293.08 billion, an increase in equity to CZK 40.96 billion and a capital adequacy ratio of 24.9%.

The Bank, as lead co-manager together with two other major Czech banks, received a mandate to place new bonds of Accolade Holding Group. The arranger of the issue was J&T IB and Capital Markets, a.s.

May

On 2 May 2024, the CNB decided to cut the base repo rate again by 0.5 percentage point to 5.25%.

The Bank announced that on 15 July 2024, the subordinated unsecured income certificates without maturity date (perpetual certificates) issued on 30 June 2014 in the amount of CZK 1 billion will be redeemed at a yield of 10% per annum.

The Bank announced that on 22 June 2024, the EUR 21 million of subordinated unsecured income certificates without maturity date (perpetual certificates) issued on 14 December 2015 will be redeemed at a yield of 9% per annum.

June

On 6 June 2024, the ECB decided to cut base rates by 0.5 percentage point, i.e. to reduce the base deposit rate to 3.75%. This was the ECB's first rate cut from an all-time high, having raised the base deposit rate to 4% on 14 September 2023.

On 27 June 2024, the CNB decided to cut the base repo rate again by 0.5 percentage point to 4.75%.

The Bank, as lead co-manager together with three other major Czech banks, was mandated to place new bonds under the KKCG international investment group's bond program. The bond program was coordinated through J&T IB and Capital Markets, a.s.

J&T ARCH INVESTMENTS announced a 4.52% appreciation of the funds of investors in the CZK class and 3.98% appreciation of the EUR class for the first quarter of 2024. The total net assets of the fund increased to CZK 67.16 billion (equivalent to EUR 2.65 billion) as of 31 March 2024.

The J&T Foundation celebrated 20 years of supporting hundreds of projects focused on social assistance, health care and education with a total amount of over CZK 870 million.

July

The Czech Statistical Office announced that the annual change in consumer prices as of 30 June 2024 was +2%.

J&T INVESTIČNÍ SPOLEČNOST, a.s. established a new fund called J&T CASH, which represents a fund alternative to bank deposit products.

August

On 1 August 2024, the CNB decided to cut the base repo rate by 0.25 percentage point to 4.50%.

September

The Bank, as co-manager with other major global banks, was mandated to place new Euro MREL bonds with MONETA Money Bank.

The Bank published its results for the first half of the year with a net profit of CZK 3.94 billion, a balance sheet total of CZK 345.5 billion and a total consolidated capital adequacy ratio of 22.5%.

The Bank, as lead co-manager with another major Czech bank, was mandated to place new green secured bonds of the Energo-Pro Group. The arranger of the issue was J&T IB and Capital Markets, a.s.

On 25 September 2024, the CNB decided to cut the base repo rate by 0.25 percentage point to 4.25%.

J&T ARCH INVESTMENTS announced a 3.18% appreciation of the koruna class and 2.77% appreciation of the euro class for the second quarter of 2024. The fund's total net assets increased to CZK 78.7 billion (equivalent to EUR 3.15 billion) as of 30 June 2024. The fund issued two new institutional share classes. The euro institutional class (EUR I) complements the previously introduced koruna institutional class. The second, also Euro institutional class (EUR ID) was created as a special class for the largest investors with a minimum investment of EUR 500 million.

October

The CNB decided to increase the bank reserve requirement ratio from 2% to 4% with effect from 2 January 2025.

JTFG announced half-year results with a net profit of EUR 218 million, a total balance sheet of EUR 18.9 billion and a capital adequacy ratio of 19.7%.

November

The Bank, as lead co-manager together with two other major Czech banks, received a mandate to place new secured bonds from the Rohlík.cz Investment a.s. group. The arranger of the issue was J&T IB and Capital Markets, a.s.

On 7 November 2024, the CNB decided to cut the base repo rate by 0.25 percentage point to 4.00%.

December

The Bank placed a new issue of subordinated bonds in the amount of CZK 2.5 billion.

On 20 December 2024, the CNB decided to keep the base repo rate unchanged at 4.00%.

J&T ARCH INVESTMENTS announced a 3.99% appreciation of the funds of investors in the CZK class and 3.77% appreciation of the EUR class for the third quarter of 2024. The total net assets of the fund exceeded CZK 100 billion (EUR 4 billion equivalent) as of 30 September 2024.

1.4.6 INFORMATION TECHNOLOGY

In 2023, the Information Systems Division, including its employees, was strategically transferred from J&T BANKA, a.s. to J&T SERVICES ČR, a.s. (hereinafter "J&T SERVICES"). J&T SERVICES is a part of the parent company JTFG and provides services within the group, mainly in the Czech and Slovak markets. These services continued to be provided in 2024, with an emphasis on ensuring stability and compliance with regulatory requirements.

The company's top priority in 2024 was the stability of production applications that provide software support for business processes for other companies in the JTFG parent group and external clients. In 2024, there was a reduction in the number of applications that were unavailable to end users due to operational incidents. At the same time, we successfully managed to minimize the duration of downtime of these applications.

The second priority was to ensure that the provision of J&T SERVICES services complies with existing regulatory requirements and to ensure readiness for new regulatory requirements. Therefore, all procedural, application and other necessary changes required by the DORA regulation (Regulation 2022/2554 of the European Parliament and of the Council of the EU) were implemented during 2024. At the same time, analytical work was initiated for the timely implementation of the requirements arising from the European NIS2 Directive and related national legislation.

The third priority was to solve projects according to the business requirements of the companies in the JTFG parent company group. The Digital Channels of the Czech Republic and Digital Channels of the Slovak Republic, which are part of the Digitisation Programme, can be considered among the most important projects. Digital channels represent a new internet banking system in which clients can manage their current accounts, deposits, investment accounts, credit cards, or perform all related payment transactions. The project was launched in 2022 and its outputs were put into production for a pilot of clients in 2024. Among other internal projects that were completed in 2024, we can mention the Identity Management project, the aim of which was to increase security and automation in the identity management process and thus optimise the operation of J&T SERVICES.

The fourth priority involved small business changes and IT transformation activities. As part of this transformation, the next 3-5 years will see continuous system integration and adoption of cloud services. In 2024, the modernisation of applications was initiated, for example, in the area of Customer Relationship Management (CRM), financial markets, or the Core Banking System (CBS). Other projects are focused on modernising tools, for example in the data and business intelligence areas.

The individual departments of J&T SERVICES contributed to the fulfilment of the above priorities by implementing the strategic initiatives.

In the past year, the IT Operations Department focused mainly on the aforementioned areas of operational stability (e.g., measurement and adherence to Service Level Agreements, Monitoring, Patch Management), and also carried out significant technological renewal, both in the area of hardware and application upgrades.

The Business Intelligence department contributed to the achievement of the company's priorities by implementing strategic initiatives in the areas of project delivery and small-scale development. The department created a catalogue of reports, worked on development projects in the Data Warehouse (DWH) and on increasing the stability of DWH operations, and also worked on IT architecture and the gradual modernisation of outdated tools.

In 2024, the CIO Office implemented strategic initiatives in the area of operational stability, for example, by strengthening Release Management processes or creating procedures for managing cloud platforms. Regular processes and tools for reporting and financial management were introduced as well. To ensure efficient management of suppliers, the role of Vendor Manager was introduced. In 2024, the department also focused on addressing audit findings, managing internal projects and cooperating on the implementation of DORA regulatory requirements.

The Development Department was dedicated to the implementation of strategic initiatives, mainly in the area of project delivery and small-scale development through the CI/CD (Continuous Integration / Continuous Delivery) process. In addition, it contributed to strategic initiatives by transforming applications or optimizing the website delivery process. The Department made a significant contribution in the field of information technology architecture by participating in the implementation and further development of the new integration platform. In the area of operational stability, the Department contributed by standardising the process of specialised operational technical support (L2) and expert support for products and services (L3).

The IT Project and Change Management department implemented strategic initiatives in the area of project delivery, for example by optimising the Change Management process using the JIRA ticketing tool and optimising work processes by managing change. The department also focused on information technology architecture, specifically architectural design and integration architecture.

The IT Governance Department was dedicated to the implementation of strategic initiatives in the areas of project delivery and minor development, operational stability and information technology architecture. Specifically, the department focused on setting procedures for capacity planning, operational risk assessment, mapping critical systems, optimizing methodologies for management and operational controls, and issuing standards.

The Security Department continued to pursue strategic initiatives to strengthen information technology security to protect infrastructure and prevent potential threats. It was also involved in updating the risk analysis, or optimizing the use of the CPM CyberArk tool for protecting accounts and access to the entire information infrastructure and the Identity Management (IDM) tool for the centralized management of information system identities. Last but not least, the department focused on training employees in the field of information security.

1.4.7 OTHER LEGAL REQUIREMENTS

For the year 2024, neither the Bank nor any other entities of the Group carried out any research and development activities.

Information on environmental activities for 2024 is contained in section E1 of the Consolidated Sustainability Report (the "Report") and information on labour relations for 2024 is described primarily in section S1 as well as in G1 of the Report.

The Bank publishes data in accordance with Decree No. 163/2014 Coll., Part Eight of EU Regulation No. 575/2013 and Section 11b of Act No. 21/1992 Coll., as amended, in the form of unlocked data files suitable for download, in XLSX format, in the Mandatory Disclosure section on its website at: https://www.jtbank.cz/informacni-povinnost.

1.4.8 SUPPORT FOR VISUAL ARTS, MUSIC AND SPORT

A traditional partner of visual arts, music and sports

The Bank continued in 2024 either directly or through its registered institute J&T NOBLESSE OBLIGE in fulfilling its long-term partnerships and supporting projects and personalities in the field of art, culture and sports. At the same time, it became the first private company in the Czech Republic to hand over its art collection to a public institution, specifically the National Gallery in Prague. The idea that wealth comes with responsibility is promoted and supported by the Bank both in the Czech Republic and in Slovakia.

Magnus Art Gallery

The Magnus Art Gallery aims to present valuable collections based on Czech and international art. The intention is also to support the ambitions of experienced and novice collectors. Collecting is not only a pleasure and a hobby for individuals, but also an important part of the functioning of the entire art world.

The exhibition space of the Magnus Art bank gallery in Prague's Karlín district was therefore dedicated to two exceptional private collections in 2024. In March, Jan Bejšovec presented a selection of his works at an exhibition entitled Bejšovec & Son. The public had the opportunity to get acquainted not only with various 20th and 21st century artworks from the collection of Jan Bejšovec, but also those from the collection of his twelve-year-old son Johan.

In September, the most spectacular exhibition to date organized by the Magnus Art Gallery was opened. Under the title The Player, Leon Tsoukernik presented his private collection. A record number of visitors (8,750) came to see the works by notoriously famous artists such as Wassily Kandinsky, Henri Matisse, and Damien Hirst. A total of 15 guided tours were held for the public during the exhibition.

In its four years of operation, the gallery has already established itself in its neighbourhood and local residents have learned to visit it regularly. Among the regular visitors are teachers with their students (from kindergartens to secondary schools to the University of the Third Age). Moreover, the gallery's visitor base expanded significantly thanks to the The Player exhibition.

J&T Banka Art Index

Cooperation with the Art+ project (which monitors the development of the art market in the Czech Republic) continued, resulting in another J&T Banka Art Index, a ranking of the 100 most prominent Czech artists born after 1960. Potential collectors and investors considering the purchase of contemporary art thus once again had the opportunity to navigate the contemporary art scene and get acquainted with those who made it into the top 100 out of more than two thousand artists.

Moreover, 2024 marked ten years since the first ranking was compiled. This led to a successful campaign directed at media and public spaces, aimed at explaining the function, purpose and objectives of the J&T Banka Art Index.

To mark the tenth anniversary, an intimate debate about the ranking was held, with guests primarily from the professional community, for instance Jan Skřivánek, one of the authors of the J&T Banka Art Index methodology, and Petr Dub, a representative of the artistic community.

J&T Banka Art Report

In 2024, the Bank published the third edition of the J&T Banka Art Report, the first comprehensive study on what the Czech art market looks like, who collects, how and why. The report was again created in cooperation with the Art+ portal and filled a long-standing gap in information. This overview helps all collectors, investors, gallerists, journalists and other art lovers to understand what is actually happening in the world of purchasing and selling artworks, and perhaps even to confirm what we have only been able to assume. The third edition of the Art Report, in addition to comparing data from previous years, focused on the topic of forgeries in the Czech art market, thus opening up a crucial issue that needs to be addressed.

Magnus Art Residency

Throughout 2024, the bank continued to organise a residency programme for contemporary Czech artists, which took place in the Art Nouveau palace of the former Municipal Savings Bank in Karlovy Vary. It always invited two artists to stay together in a studio on the upper floors of the palace and motivated them to a mutual dialogue. The artists thus created under the influence of their surroundings, the city and each other. A total of seven pairs, i.e. fourteen artists, participated in the residency. Their works were presented in the temporary Display Gallery, which was created for this purpose directly in the palace premises. The gallery was open to the public three days a week, and for the rest of the time, passers-by were invited to view the exhibition through the window.

Donation of the Magnus Art Collection

There was also one extraordinary philanthropic move in 2024. In December, the Bank donated its Magnus Art Collection to the National Gallery in Prague, making it the first private company in the Czech Republic to hand over its art collection to a public institution.

The Magnus Art Collection includes the works of 28 laureates of the Jindřich Chalupecký Prize, which has been awarded annually to young Czech artists since 1990. The collection has been gradually built up since 2014 and during that time it has appreciated significantly. While its acquisition value was CZK 11,762,455, at the time of handover, the value had risen to CZK 17,860,000.

However, the Magnus Art Collection was never intended as an investment collection. Its value lies primarily in its integrity and its ability to illustrate the development of young Czech art at a crucial period for our culture and society. The fact that its financial value has also increased significantly only demonstrates the enormous potential of young Czech art.

From autumn 2025, the National Gallery will gradually present the collection to the public in the Veletržní palác.

Support for the Czech Pavilion at the Venice Biennale

Since 2024, the Bank has been a partner of the Czech Pavilion at the prestigious international art show La Biennale di Venezia. After a five-year hiatus, thanks to the Bank, Czech art has finally returned to Venice. In 2024, artist Eva Kot’átková presented her collaborative project entitled “The Heart of a Giraffe in Captivity is Twelve Kilograms Lighter” at the Czech Pavilion.

It was inspired by the true story of Lenka the giraffe, who was captured in Kenya in the 1950s and taken to Prague Zoo, where she became the first Czechoslovak giraffe. Unfortunately, she survived in captivity for only two years. Thanks to her, the Czech pavilion has become extremely popular among visitors and experts alike. In their reviews, many art media drew attention to it.

The Bank will continue to support Czech art at the Venice Biennale in the coming years.

Cooperation with higher education institutions

Successful cooperation with the University of Applied Arts (UMPRUM) continued in 2024, which enabled the announcement of a student competition for the design of golf trophies. It was won by Jan Adam Hlušička from the ceramics studio with his Bouquet design made of coloured porcelain. He created three trophies of different colours inspired by the bouquet that the winner receives as a reward.

The Bank further developed its partnership with art colleges through a series of short-term exhibitions directly in its premises, where it presented works by students from various studios of Czech art schools. During the year 2024, students of the Academy of Fine Arts in Prague from the studio of Petr Dub and Marek Meduna were given the opportunity to present their works.

Support of contemporary artists and designers

The bank traditionally recognizes its employees during work or life anniversaries, and sends its clients New Year’s greeting or small gifts before the end of the year. It therefore decided to use the skills of Czech artists and designers, especially from the young generation, and commissioned them to produce these objects. The recipients thus receive an original work of art that may motivate them to have a greater interest in collecting.

The 2024 New Year’s card was based on an abstract collage piece by artist Lucie Svoboda Mičíková. The design for the birthday card was created by painter Marie Lukáčová. Lucie Svoboda Mičíková, Filip Dvořák and Lucie Rosická prepared a limited series of their artworks.

Art Service

The Bank continued to develop its Art Service, which it launched in autumn 2020. This service helps clients who need advice on investing in art, managing a collection or other art-related requirements; it is provided by an internal art specialist, art historian Valérie Horváth.

The Czech Philharmonic Orchestra and Josef Špaček

In 2024, the Bank once again supported the violin virtuoso Josef Špaček. It remained a partner of the Czech Philharmonic Orchestra – in addition to the traditional partnership of beautiful sound was also a chamber music partner. The cooperation brings the philharmonist not only the opportunity to play a state-of-the-art cello, which the Bank purchased and lent to the Czech Philharmonic Orchestra, but also to be among the top ten orchestras in the world.

Smetana's Litomyšl

For the second year running, the Bank has supported the largest classical music festival with a strong international reputation as a partner of the Czech Philharmonic's festival projects. Thanks to this support, the festival's program is enriched by challenging and top-level performances and concerts prepared by the Czech Philharmonic Orchestra.

National Theatre

Love of culture, respect for history, and above all the desire to help – all of this connects the Bank with the patronage of the National Theatre, a unique artistic institution and a symbol of national identity. The Bank has become a patron of the highest level.

National Theatre Brno

Janáček Theatre, Mahen Theatre and Reduta. Important Brno theatre spaces united under the institution of the National Theatre Brno. Their activities enriching Brno's cultural and social life were supported by the Bank with a financial donation.

Janáček Brno

The International Opera and Music Festival Janáček Brno has developed into one of the best opera festivals in the world. It represents the Czech Republic and Czech artists to foreign audiences, but it is also an exceptional event on the Brno cultural scene. The Bank has become its main partner.

Troja Festival

The genius loci of Prague Troja, top musical performances under the artistic supervision of violinist Josef Špaček, an informal atmosphere and support of the local community. This is what the Troja Festival, which was also supported by the Bank, offered in its first year.

Roberto Fonseca in Prague

Supporting exceptional jazz artists on their European tours. This is one of the reasons why the Bank organises an annual concert for its clients, who get a very unique musical experience. In 2024, the Cuban jazz pianist and composer Roberto Fonseca visited Prague.

This is Vary

Exclusive previews of anticipated films, live introductions with guests, the red carpet and a festival atmosphere. All this was experienced by the audiences of more than 40 cinemas across the Czech Republic in 2024 as part of the This is Vary project. The purpose of the event is to prepare the audience for a series of extraordinary experiences, to deepen their relationship to high-quality film and to encourage them to visit local cinemas more regularly. The project is brought to Czech cinemas by the Karlovy Vary Film Festival with the support of the Bank's main partner.

Czech Rugby Union

Integrity, Passion, Solidarity, Discipline and Respect are the values that guide rugby players around the world. Even though it's a tough sport, it's fair. These values are proudly declared not only by the Czech Rugby Union, but also by the Bank, which was its general partner in 2024.

J&T Banka Ostrava Beach Pro

The Bank's long-term ambition is to support projects that can make us, i.e. the Czech Republic, more visible internationally. Whether it is to support Czech activities abroad or to establish a new tradition that will attract foreign attention. And this is exactly what the beach volleyball tournament in Ostrava does. That is why the Bank has been supporting it since 2019. The Ostrava tournament belongs to the highest category of the World Cup called ELITE 16, and players from all over the world appreciate its unique atmosphere and roaring stands every year.

Support in Slovakia

Chorea Festival of Ballet

As a general partner, the Bank brought the spectacular gala of the world modern ballet Chorea to its clients and the public in 2024. The Bank has been a partner of the project under the baton of Ján Ďurovčík since its inception in 2017. The aim is to bring modern ballet to Slovakia performed by the world's most prestigious ballet companies and their soloists.

The gala evening was held in June in the open air in the magical setting of the banks of the majestic Danube River, which provided a unique backdrop for this exceptional event. Artists from the Royal Danish Ballet, the Greek National Opera and the Salzburg State Theatre performed in Bratislava. The event was highly praised by critics and enjoyed great interest from the artistic community and the general public.

Slovak Design Centre

The Bank has been the general partner of the Slovak Design Centre (SCD) for eight years. The mission of the Centre is to research and make available objects of cultural value in the field of design, art, architecture and related fields through the Slovak Design Museum. Since 1993 the SCD has been organising the National Design Award competition, which is the highest form of award in this field in Slovakia. In 2024, the competition and exhibition focused on communication design.

Student Personality of Slovakia

In 2024, the Bank continued to support young talent. For the seventh time, it became a partner of the Student Personality of Slovakia competition, which celebrated its 20th anniversary year. The winner of the J&T BANKA award in the Economics category was Tomáš Oleš, a PhD student at the University of Economics, who is researching automation and its impact on the labour market. He has won several prestigious awards for his work. He is working internationally with Professor Daron Acemoglu from the Massachusetts Institute of Technology.

Innovative Young Entrepreneur

Since 2018, the Bank has been a partner of the Young Innovative Entrepreneur competition in Slovakia, which highlights and rewards the courage and innovative thinking of young people. In its latest edition, the J&T BANKA award went to Diana Gerbocová, who created the HandCubeKeys system supporting inclusive education and social inclusion. This triple "in" system – inclusive, innovative and interactive – is used by schools and social institutions to improve learning and communication.

Support for tennis

The Bank has long been involved in sport in Slovakia. Since 2013, it has been a partner of the Slovak women's and men's tennis teams and helps develop talent in youth teams. In early October, the J&T Banka Slovak Open 2024 women's tennis tournament took place. The largest women's tournament in Slovakia was included in the ITF World Tennis Tour category with a subsidy of USD 60,000. The winner of the singles was 15-year-old Slovak Mia Pohánková, who defeated another Slovak, Renata Jamrichová, in the final.

Banks helping

The Bank, its shareholders and employees have long supported the J&T Foundation in the Czech Republic and the J&T Foundation in Slovakia, which have been helping families with children at risk for many years by providing financial and material assistance and counselling. Based on their experience on the ground, they also strive for systemic changes in the prevention and care of families at risk. The J&T Foundations provide contributions to both natural persons and legal entities – non-profit organisations, provided their projects are related to the mission and goals of the foundations. In the year 2024, the J&T Foundations in the Czech Republic and Slovakia donated to more than 900 families with children and supported over 120 organisations in the total amount of over CZK 65 million.

The long-term goal of the J&T Foundation is to ensure that children under the age of seven are not placed in institutional care but grow up in a family environment. Donations to families were mainly directed to housing costs in both foundations, as housing need, along with other social problems such as debts and foreclosures, are among the most important reasons for removing children. The supported organisations provide services on the ground so that families with children at risk receive help in time and do not have to have their children removed. The Foundation has also supported hospice care and outreach activities.

Specific activities in the Czech Republic in 2024 include cooperation with other foundations, endowments and experts in the creation of the first Czech Foundation Code, which contains a number of recommendations for good and responsible governance of philanthropic organisations. As part of the 8000 Reasons Initiative, the J&T Foundation in the Czech Republic also participated in advocating for the end of orphanages for children under three years of age on 1 January 2025. The J&T Foundation is a member of the Association of Public Benefit Organizations of the Czech Republic and since 2014 has met the criteria for the designation "Reliable Public Benefit Organization", which is a guarantee for donors and the public that donated funds are managed adequately and transparently and the Foundation fulfils its mission.

In 2024, the J&T Foundation in Slovakia became part of a commission dealing with the removal of children from their families with the aim of increasing prevention and work in families resulting in a reduction in the number of child removals. As part of the Initiative – Strength of the Family, the J&T Foundation Slovakia, in cooperation with the Ministry of Labour, Social Affairs and Family of the Slovak Republic, was involved in developing an analysis to help improve the position of foster parents and children in their care.

1.4.9 VISION FOR 2025

We want to be a bank that attracts and helps create success and is a reliable partner for our clients, our shareholders and society as a whole. This is thanks to our knowledge, our ability to create value and our commitment to long-term quality. Our goal is to become synonymous with investment and financing, where a personal approach and superior advice play a key role. The expected economic recovery in 2025, supported by rising consumer confidence and stable inflation in the Czech Republic, creates favourable conditions for our plans.

Partnerships

We believe in building real, long-term relationships based on trust, respect and a personalised approach. We are not just a provider of financial products – we are advisors who care about what is really important to our clients. We want to understand each client’s life story and goals, whether it’s securing family wealth, expanding a business, or making a major investment decision. We want to be the senior partner you call when you’re deciding to sell a business, planning a major investment, or dealing with strategic issues. Our advice is based on a deep understanding of the markets, thorough analysis, and the ability to connect the various aspects of a client’s assets into a meaningful whole. We don’t look for one-size-fits-all solutions; we design tailored strategies.

Digitisation

Technology is important, but it should never replace a personal touch. Our vision is to combine the best of both worlds – modern digital tools and authentic human contact. We invest in digital because we know that effective technology frees up our advisors to focus more on what really matters: client relationships. Our new digital channels aren’t just about modern design, but bring a fundamental change allowing us to develop new services and tailor them to the current needs of our clients. We want to offer a hybrid model – one where the client can easily manage basic operations online, but when it comes to important decisions, they have an expert to help them. For us, technology is a tool, not a goal.

Loan portfolio and diversification

Stable growth does not happen by chance. It’s the result of thoughtful decisions, good timing and the courage to develop new opportunities. That’s why we focus on expanding our loan portfolio and diversifying our client base. We are not just about “having more clients”. We want to grow smart – we are expanding our team of experts in Slovakia, strengthening our business in Moravia and entering new markets such as Poland and Germany. We see these regions as strategic areas where we can offer our expertise and build strong partnerships. By combining local knowledge, a strong background and a personalised approach, we can better manage risk while ensuring stable revenues. For us, growth is not just about numbers – it’s about creating value that lasts. What’s more, with a recovering economy and an expected GDP growth of 2.3% in the Czech Republic in 2025, we see opportunities for healthy growth in our loan portfolio.

Stability as a basis for growth

It is impossible to build without a solid foundation. That’s why a strong capital base is crucial for us, allowing us to not only grow but also to withstand market fluctuations. We strive to maintain and improve our investment rating, which opens doors to international markets and increases our credibility. We are focusing on diversifying our funding sources, increasing the stability of our loan portfolio and developing fee income from asset management. Our strategy is about balance – between growth and stability, between ambition and responsibility. This enables us to respond flexibly to market changes while maintaining long-term sustainability. With inflation expected to continue to fall in the coming year, we expect a more stable environment to support investment activity.

Responsibility

Success is not just about financial results. We believe that true value is measured by the impact we have on the world around us. That’s why we support projects that bring real value to society – from arts and culture to sporting events that often have no chance of happening without support. Our responsibility is not just a nice gesture, it’s part of our identity. We want to be a bank that not only helps grow the economy, but also contributes to the development of the communities in which we operate. That’s why we support initiatives that inspire, connect people and create opportunities.

Our vision for 2025

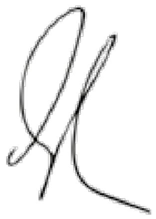
We want to be a leader in asset management and financing. We build on a personal approach, expert advice and responsible business. We’re not just about being the best in the market, we’re about being the one who defines what true quality banking means.

1.4.10 DECLARATION

To the best of our knowledge,

- these financial statements and the consolidated financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and results of operations of the Bank and the Group for the year ended 31 December 2024;
- the consolidated annual financial report under the Accounting Act gives a true and fair view of the development and performance of the Bank and the position of the Bank and the Group, together with a description of the principal risks and uncertainties that they face; and
- the consolidated sustainability report has been prepared in accordance with the sustainability reporting standards adopted by the European Commission and the requirements set out under Article 8(4) of the directly applicable European Union regulation governing the framework for the facilitation of sustainable investments.

Prague, 3 April 2025



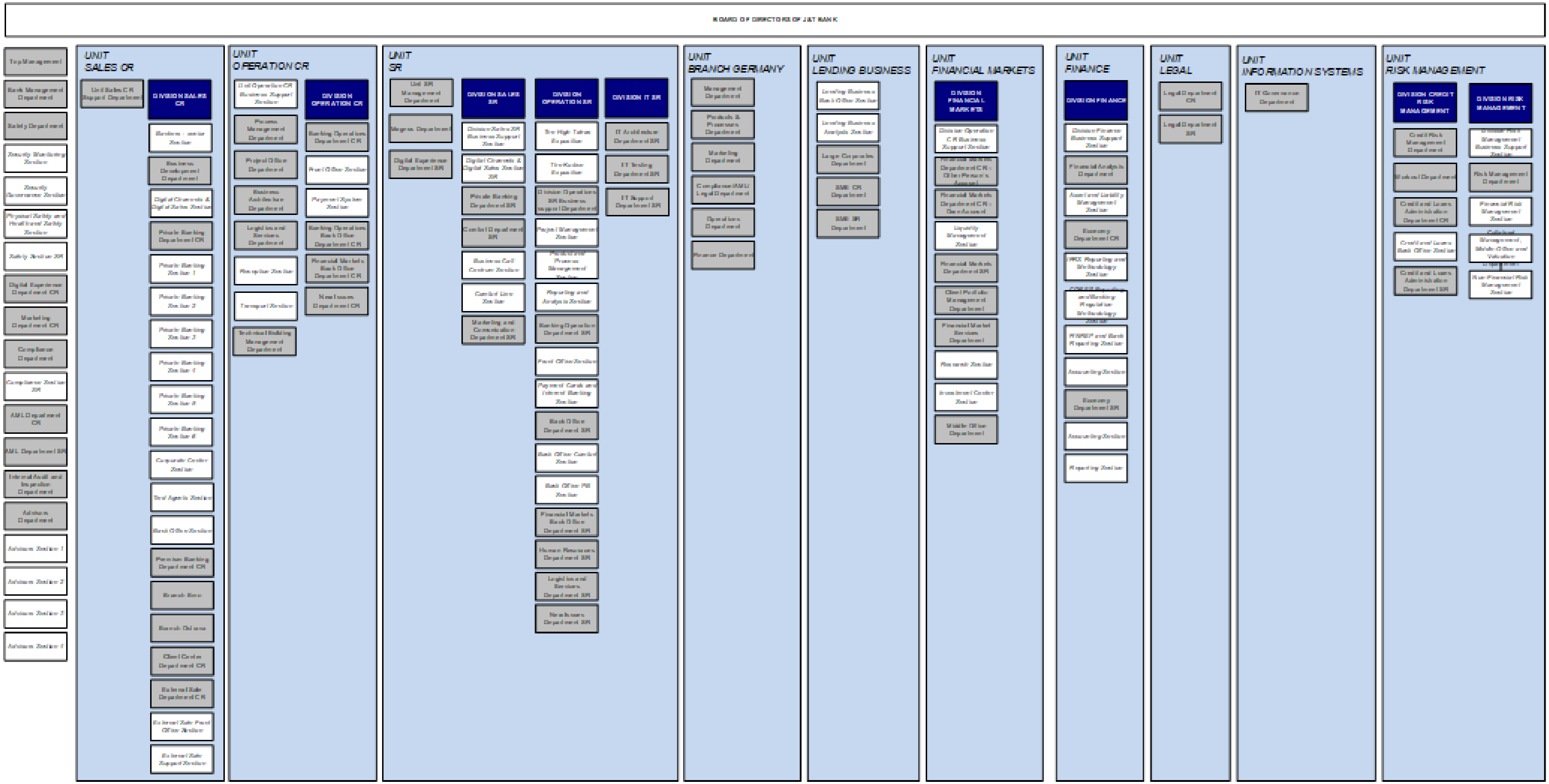
Štěpán Ašer, MBA

Chairman of the Board of Directors of J&T BANKA, a.s. and CEO of J&T BANKA, a.s.

Ing. Michal Kubeš

Member of the Board of Directors

1.5 Organisational Structure



1.6 Report of the Supervisory Board

In 2024, the Supervisory Board of J&T BANKA, a.s. was composed of nine members. In accordance with the Company's current Articles of Association, six (6) members are elected by the Company's shareholders and three (3) members are elected by the Company's employees. In February 2024, Jozef Kollár and Marc Derydt were elected to the Supervisory Board by the sole shareholder and in March 2024, Radoslav Míšek was elected by the employees to the Supervisory Board. In its activities, the Supervisory Board was guided by the relevant legislation, in particular the Business Corporations Act, the Banking Act and the Bank's Articles of Association. A total of four (4) regular meetings of the Supervisory Board were held during 2024. At its regular meetings, the Supervisory Board dealt in particular with the regular reports of the Bank's Management Board on the Company's activities and its financial situation, reports of the relevant departments of the Bank and all matters arising from the relevant legislation.

The Supervisory Board familiarised itself with the Bank's financial statements as at 31 December 2024 audited by the external auditor, Ernst & Young Audit s.r.o. According to the auditor's report dated 3 April 2025, the financial statements give a true and fair view, in all material respects, of the assets and liabilities of J&T BANKA, a.s. as at 31 December 2024 and of its expenses, income, and results of operations and cash flows for the year 2024 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The Supervisory Board notes that the Bank's business activities have been conducted in accordance with the law and the Bank's Articles of Association. The Supervisory Board took note of the report on related party relationships in 2024 prepared by the Board of Directors and certified by the auditor. The Supervisory Board notes that it has no objections to this report. The Supervisory Board agrees with the results of the annual financial statements for the year 2024 and with the settlement of the economic result, i.e. the distribution of the profit of J&T BANKA, a.s., for the year 2024 as proposed by the Bank's Board of Directors and recommended its approval to the sole shareholder in the capacity of the General Meeting.

1.7 Correspondent Banks

Raiffeisen Bank International AG
Vienna, Austria
SWIFT: RZBA AT WW
Currency: AUD, CAD, CHF, EUR, GBP, HUF, JPY, NOK, PLN, RON, RUB, SEK, TRY, USD

The Bank of New York Mellon
New York, USA
SWIFT: IRVT US 3N
Currency: USD, GBP

DZ Bank AG
Frankfurt am Main, Germany
SWIFT: GENO DE FF
Currency: USD

365.bank, a.s.
Bratislava, Slovak Republic
SWIFT: POBN SK BA
Currency: EUR

Citibank Europe Plc, org. složka
Prague, Czech Republic
SWIFT: CITI CZ PX
Currency: CNY, HKD, MXN

Ping An Bank Co., Ltd.
Shenzen, China
SWIFT: SZDB CN BS
Currency: CNY

Bank of China Ltd. Hungarian Branch
SWIFT: BKCH HU HH
Currency: CNY

J&T banka d.d.
Varazdin, Croatia
SWIFT: VBVZ HR 22
Currency: EUR

2 CORPORATE GOVERNANCE STATEMENT

The corporate governance statement is a separate part of the consolidated annual financial report pursuant to Section 118(4) of the Capital Market Undertakings Act, which the Bank publishes as an issuer of securities admitted to trading on a regulated market.

2.1 Corporate Governance and the Code

Within the framework of its administration, the Bank complies with all relevant legal obligations arising from Czech and EU regulations. At the same time, the Bank has adopted and complies with the main standards of corporate governance as defined by the Czech Corporate Governance Code 2018 (the "Code"), which is available on the Bank's website in the Information Obligations section. The Code was developed under the auspices of the Czech Institute of Directors in partnership with Deloitte and in cooperation with corporate governance specialists.

In particular, the Bank has adopted the Code's basic principles of transparency, accountability and long-term horizon, which are important prerequisites for good corporate governance. It considers these values to be essential not only in the management of the company, but also in the approach to customers and business partners. The Bank continuously provides shareholders and investors with information on its business and financial results or other material facts. The Bank also complies with its disclosure and transparency obligations.

The Bank organises its governance in accordance with the principles set out in the above document. In order to achieve this, the Bank sets out corporate governance rules, in particular in its internal regulations and articles of association, which reflect all legal obligations affecting the governance of the company, which is both a bank and a securities dealer. There were no material changes during 2024 that adversely affected the Bank's standards and management.

The Bank's supreme body is the General Meeting. In accordance with the Capital Market Undertakings Act, the Bank's management body is the Board of Directors and the Supervisory Board. In their activities, the bodies are governed by the relevant legislation, in particular the Business Corporations Act, the Banking Act and the Bank's Articles of Association. The Bank also has an Audit Committee. The Bank has also established other expert committees, namely the Remuneration Committee, the Asset and Liability Management Committee, the Investment Committee, the Credit Committee, the CR Executive Committee, the CR Business Committee, the Project Committee, the Security Committee, the Operational Risk and Loss Committee, the Investment Facilities Committee, the Recovery and Resolution Committee, the ESG Committee, the SR Executive Committee and the SR Business Committee. The composition as well as the procedures of the above-mentioned bodies and expert committees are set out in the section Bodies and Expert Committees of the Bank.

The persons who are members of the bodies shall meet the requirements of professional competence, trustworthiness and experience. A policy of diversity is applied in the selection of directors, which is overseen by a suitability assessment committee based at the level of the Bank's parent company. For more information on the diversity policy, see the S1-1 section of the Report. In assessing the suitability of members of the governing body and key staff, the Bank is guided in particular by the General Guidelines on the assessment of the suitability of members of the governing body and key staff of the European Banking Authority.

The Bank's simple shareholder structure allows for effective management of the company by its owners while applying sufficient control rules to protect the interests of the Bank, its investors and creditors in accordance with the rules governing the business of banks and securities dealers. The rights attached to ordinary shares representing an interest in the Bank are governed by the Business Corporations Act and the Bank's Articles of Association.

The Bank as a securities dealer is obliged under the Capital Market Undertakings Act to pay an annual contribution to the Securities Dealers Guarantee Fund in the amount of 2% of the volume of revenues from fees and commissions for investment services provided. The basis for the calculation of the contribution to the said Guarantee Fund for 2024 was CZK 1,974.4 million (2023: CZK 1,414.6 million), for 2024 this levy amounted to CZK 39.5 million (2023: CZK 28.3 million). The Bank did not acquire any of its own shares or equity interests during 2024.

2.2 Information on Internal Control Policies and Procedures in Relation to the Financial Reporting Process

In order to ensure a true and fair view in the accounting and the correct preparation of the statements on an individual and consolidated basis, the Bank uses a number of tools to ensure that individual transactions are correctly recorded and subsequently presented in the statements of the Bank and its Group. The main tools include maximum automation of repetitive transactions, procedures and processes in appropriate systems and applications, regular control and testing of these systems and setting access rights to individual systems and applications. In addition to the regular control of the general ledger, the Bank applies a system of accountability and accounting control to the balances of individual analytical accounts. Each general ledger account has an assigned custodian who is obliged to provide information on the balance of the analytical account (balance, reconciliation to primary data, breakdown into individual amounts, etc.) at regular intervals and on request.

The Bank's Economic Department is responsible for the compliance of the accounting methods used, in particular with IFRS as adopted by the European Union, and for the setting of controls in the Bank's accounting. The Bank's Economics Department also sets the rules and methodology for the preparation of the consolidated financial statements and verifies the accuracy of the supporting documents for the preparation of the consolidated financial statements.

Information on the accounting policies, valuation techniques and allowance creation policies applied are disclosed in the notes to the consolidated financial statements in this annual financial report.

The accuracy of the data in the Bank's financial statements is confirmed by the independent auditor's opinion. The consolidated annual financial report includes the audited financial results of the Bank and its Group.

For the year ended 31 December 2024, the Bank and the Group were charged the following amount of cash by the auditor for audit and other services:

Fees for 2024 (in thousands of CZK)	*Ernst & Young Audit, s.r.o.*	*Other EY network firms*	*Total*
Statutory audit of financial statements – Bank	15,051	3,701	18,752
Other assurance and other services – Bank	11,996	2,143	14,139
Statutory audit of financial statements – Group	1,004	-	1,004
Other assurance and other services – Group	74	-	74

2.3 Information on securities and the associated rights and obligations

2.3.1 DETAILS OF SECURITIES REPRESENTING AN INTEREST IN THE ISSUER

J&T BANKA, a.s. with its registered office at Prague 8, Sokolovská 700/113a, Postal Code 186 00, Czech Republic, Company ID No.: 47115378, Legal Entity Identifier (LEI): 31570010000000043842 was registered as a joint-stock company in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 1731, on 13 October 1992.

At the beginning of 2023, Moody's assigned the Bank a long-term deposit rating of Baa2 with a stable outlook and a short-term deposit rating of Prime-2. This is a rating at the prestigious, so-called investment grade level. Long-term liabilities rated Baa represent a "moderate credit risk" as defined by Moody's. Short-term liabilities with a Prime-2 rating reflect the 'high repayment capacity' of these liabilities. In May 2024, the rating agency confirmed the rating level assigned to the Bank.

Data on the number of shares, nominal value of shares and the Bank's shareholder structure are presented in the section Basic Information about J&T BANKA, a.s., and the Consolidation Unit of the J&T BANKA, a.s. Group. The Bank's directors do not own any shares or options or comparable investment instruments whose value relates to shares or similar securities representing an interest in the Bank.

The rights and obligations of shareholders are governed by the provisions of the Companies and Co-operatives Act (Companies Act) and the Bank's Articles of Association. Each of the Bank's shareholders has a pre-emptive right to subscribe 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. A shareholder has a preferential right to subscribe for those shares that have not been subscribed for by another shareholder in accordance with the Business Corporations Act.

As the Bank has a sole shareholder, there is no General Meeting and the powers of the General Meeting are exercised by the sole shareholder. In this case, the rights and obligations of the sole shareholder are identical to those of the General Meeting, whose powers are regulated in the company's valid Articles of Association and Act No. 90/2012 Coll., the Business Corporations Act. Further information on the exercise of the sole shareholder or the powers of the General Meeting is provided in the following section Bodies and Expert Committees of the Bank.

2.3.2 DETAILS RELATED TO THE SUBORDINATED UNSECURED INCOME CERTIFICATES

The Bank issued the following subordinated unsecured income certificates without maturity dates (the "Certificates"):

Name of certificate	*ISIN*	*Issue date:*	*Currency*	*Interest rate*	*Nominal value*	*Subscribed issue volume*
J&T BANKA 10% PERP	CZ0003704249	30/06/2014	CZK	10.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK II 9% PERP	CZ0003704413	21/09/2015	CZK	9.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK III 9% PERP	CZ0003704421	14/12/2015	EUR	9.00% p.a.	EUR 5,000	EUR 21 million
J&T BK 6.50% PERP	CZ0003706517	23/08/2021	CZK	6.50% p.a.	CZK 100,000	CZK 1,300 million
J&T BK 7.00% PERP	CZ0003707275	29/06/2022	EUR	7.00% p.a.	EUR 1,000	EUR 200 million

The Certificates are unnamed securities issued in the Czech Republic in accordance with Czech law. Certificates are hybrid financial instruments combining the economic characteristics of equity and debt securities and are issued as book-entry securities in bearer form.

When the conditions under Article 52(1) of 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 are met, the certificates are included in the Bank's Tier 1 capital.

On 19 April 2024, the CNB granted the Group, pursuant to Article 78 of the EU Regulation on prudential requirements for credit institutions (the "Regulation"), consent to the redemption of capital instruments with ISIN: CZ0003704249, in the total amount of CZK 1,000 million, as well as with ISIN: CZ0003704421, in the total amount of EUR 21 million. The consent was given following the Group's request under Article 77(1) of the Regulation to redeem selected equity instruments included in the Tier 1 capital. The certificates with ISIN: CZ0003704421 were redeemed on 22 June 2024 in the amount of CZK 575 million denominated in EUR in the volume of EUR 21 million. The certificates with ISIN: CZ0003704249 were redeemed on 15 July 2024 in the amount of CZK 1,000 million.

The certificates are traded on the Prague Stock Exchange and the volume of issued certificates reached CZK 7,293 million as of 31 December 2024 (2023: CZK 8,868 million).

The Certificates are not bonds within the meaning of the Bond Act. The owners of the Certificates are not shareholders of the Bank by virtue of their ownership of the Certificates and are not entitled to dividend payments.

Owners of the Certificate do not have an interest in the Bank's equity and by virtue of their ownership of the Certificate do not have a direct or indirect interest in voting rights. With the CNB's consent, the Bank is not subject to the obligations in Section 118(5) (a) to (k) of the Capital Market Undertakings Act, as amended.

Other rights and obligations are regulated in the terms of issue.

2.3.3 DATA ON DEBT SECURITIES ISSUED

The Bank issued the following debt securities:

Type	*ISIN*	*Issue date*	*Maturity*	*Currency*	*Interest rate*	*Nominal value*	*Subscribed issue volume*
MREL bonds	CZ0003707705	13/12/2022	13/12/2027	CZK	8.00% p.a.	CZK 10 million	CZK 300 million
MREL bonds	XS2705065188	26/10/2023	26/10/2026	EUR	7.50% p.a.	CZK 1,000	EUR 120 million
Subordinated bonds	CZ0003709339	04/12/2024	04/12/2034	CZK	6.25% p.a.	CZK 10,000	CZK 2,500 million

MREL bonds represent unconditional, unsecured, and unsubordinated liabilities of the issuer counting towards the minimum requirements for capital and eligible liabilities (MREL) of the Bank.

Bonds XS2705065188 (Eurobonds) are debt securities issued under English law, admitted to trading on the Luxembourg Stock Exchange (Bourse de Luxembourg, LuxSE) in Luxembourg and the Prague Stock Exchange in the Czech Republic. The final maturity of the Eurobonds is 26 October 2026. The issuer has the option to redeem the Eurobonds early (issuer's call option) as at 26 October 2025.

Bonds CZ0003707705 (Bonds) are debt securities issued under Czech law, admitted to trading on the Prague Stock Exchange in the Czech Republic. The final maturity of the Bonds is 13 December 2027. The issuer has the option to redeem the Bonds early (issuer's call option) starting from the date of the fourth anniversary of the issue date.

The early redemption of MREL bonds requires approval from the regulator (CNB). Under certain conditions, the regulator may take measures that can permanently reduce, cancel or write off any part of the nominal value of MREL bonds, convert all or any part of the nominal value of MREL bonds (including the corresponding interest income aliquot) into shares or other common equity Tier 1 instruments of the issuer, or modify the amount of interest payable, the payment date or otherwise change the terms of issue of MREL bonds.

Bonds CZ0003709339 (Subordinated Bonds) represent unconditional, unsecured and subordinated obligations of the issuer pursuant to Section 34 of Act No. 190/2004 Coll., on Bonds and Section 172 of Act No. 182/2006 Coll., Insolvency Act, and are a capital instrument forming part of the Bank's Tier 2 capital under Article 62a of Regulation (EU) No. 575/2013. The Subordinated Bonds are debt securities issued under Czech law. In the event of insolvency, claims arising from the Subordinated Bonds will be satisfied only after satisfaction of all other non-subordinated and unsecured creditors, including holders of the MREL bonds, with exceptions specified in the prospectus. The Subordinated Bonds have been admitted to trading on the Prague Stock Exchange in the Czech Republic. The final maturity of the Subordinated Bonds is 4 December 2034. The issuer has the option to redeem the Subordinated Bonds early (issuer's call option) as at 4 December 2029 and, if this option is not exercised, on each subsequent coupon payment date, which will be paid semi-annually after 4 December 2029. Early redemption of the Subordinated Bonds is subject to regulatory approval. Under certain conditions, the regulator may take measures that may lead to a write-off or conversion of the entire nominal value of the Subordinated Bonds or any part thereof.

2.4 Bodies and Expert Committees of the Bank

2.4.1 BANK BODIES

The Bank has a dualistic system of corporate governance structure, which ensures separation of executive and control functions and its bodies are:

2.4.1.1 General Meeting

The General Meeting is the supreme body of the Bank. It decides on matters which the law or the Bank's Articles of Association include in its competence. The competence of the General Meeting includes, in particular, the decision to amend the Articles of Association, the decision to change the amount of the share capital and to authorise the Board of Directors to increase the share capital, the election and dismissal of members of the Supervisory Board, the approval of the ordinary, extraordinary or consolidated financial statements and, in cases where their preparation is provided for by other legislation, the interim financial statements, the decision to distribute profits or other own resources or to cover losses, and the giving of instructions to the Board of Directors and the approval of the principles of the Board of Directors' activities, unless they are contrary to the law. The General Meeting may also prohibit a member of the Board of Directors from certain legal actions if it is in the interest of the company. The powers of the General Meeting are regulated by the Bank's Articles of Association and the relevant legislation, in particular the Business Corporations Act.

The Bank has only one shareholder, therefore there is no general meeting and the sole shareholder (JTFG) decides on the competence of the Bank's general meeting. These decisions shall be in writing and, if required by law, shall take the form of a notarial record.

2.4.1.2 Board of Directors

The Bank's statutory body is the Board of Directors, which manages the Bank's business activities and represents the Bank in the manner specified in the Bank's Articles of Association and in the Commercial Register. The Board of Directors decides on all Bank matters, unless they are reserved by law or the Bank's Articles of Association for the General Meeting or Supervisory Board. According to the Bank's current Articles of Association, the Board of Directors has 3 to 6 members, with the specific number of members to be determined by the Supervisory Board, taking into account the specific scope of the company's activities, the economic situation and current regulatory requirements and the resulting needs of the internal management system. The Board of Directors of the Bank had six (6) members as of 31 December 2024.

The Board of Directors is elected by the Supervisory Board. The CNB assesses the professional competence, credibility and experience of all members of the Board of Directors. The Board of Directors elects the Chairman of the Board from among its members. The remuneration of the Bank's Board of Directors falls within the competence of the General Meeting. The term of office of a member of the Board of Directors is five years, with re-election of a member of the Board of Directors being possible.

The Board of Directors is responsible for establishing a coherent and adequate management and control system and for continuously maintaining its functionality and effectiveness. It is responsible for setting the Bank's overall strategy, establishing rules that clearly formulate ethical and professional principles and expected models of employee behaviour and conduct, as well as setting human resource management principles. Furthermore, the Board of Directors is responsible for establishing, ensuring, maintaining and applying requirements for the credibility, knowledge and experience of the persons it employs to carry out its activities, and is responsible for ensuring that the Bank consistently applies sound management, administrative, accounting and other procedures. The Bank's Board of Directors approves and regularly evaluates, in particular, the Bank's overall strategy, organisational structure, risk management strategy, including risks arising from the macroeconomic environment in which the Bank operates, also in relation to the economic cycle, including the Bank's risk acceptance policies and the recognition, evaluation, measurement, monitoring, reporting and mitigation of the occurrence or impact of risks to which the Bank is or may be exposed. It shall approve the strategy related to capital and capital ratios, the strategy for the development of information and communication systems, the principles of the internal control system, including the principles for avoiding potential conflicts of interest, compliance and internal audit, the security principles, including the security principles for information and communication systems, the set of limits, including the overall accepted risk level and any internally determined capital, liquidity and other prudential reserves or surcharges that the Bank uses to limit risks within its accepted risk level.

The Bank's Board of Directors shall also approve new products, activities and systems and other matters of fundamental importance to the Bank or otherwise likely to have a material impact (this authority may be delegated by the Bank's Board of Directors to an expert committee appointed by it). It approves the strategic (4-year) and periodic (annual) internal audit plan.

The Board of Directors meets as needed, usually once a month. It convenes at the Bank's registered office, unless a different location has been determined in a prior meeting. The meetings of the Board of Directors are convened by the Chairman of the Board of Directors. The Board of Directors may also meet on the basis of a long-term plan for Board meetings. The Chairman of the Board of Directors is obliged to convene a meeting of the Board of Directors without undue delay at the request of any member of the Board of Directors or at the request of the Supervisory Board. If the Chairman of the Board of Directors does not convene the meeting without undue delay, any member of the Board of Directors or the Supervisory Board may convene the meeting. The Board of Directors may also take decisions outside the Board of Directors' meeting if all members of the Board of Directors agree. In such a case, a written ballot or a ballot by technical means shall be admissible. The Board of Directors shall be quorate if a majority of the members of the Board of Directors are present. The Board of Directors decides by majority vote of the members present.

Ing. Patrik Tkáč

Chairman of the Board of Directors

Date of appointment to the Board of Directors: 3 June 1998

Term of office until: 15 August 2024

He graduated from the Faculty of Economics at the University of Economics in Bratislava. In 1994, he obtained a brokerage license from the Ministry of Finance of the Slovak Republic and in the same year he became a co-founder of J&T Securities, s.r.o., a securities trader. He is a leading representative of the JTFG Group and Chairman of the Board of Directors of J&T FINANCE GROUP SE. Within the Bank, he was responsible for the Financial Markets Department.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	current
ATLANTIK finanční trhy, a.s.	26218062	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
Nadace J&T	27162524	Praha 1, Malá Strana, Malostranské nábřeží 563/3, 118 00	Board of Directors - Member + Founder	current
J&T IB and Capital Markets, a.s.	24766259	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T Family Office, a.s.	03667529	Praha 1, Malá Strana, Malostranské nábřeží 563/3, 118 00	Supervisory Board – Member	current
Nadace Sirius	28418808	Praha 1, Staré Město, U Prašné brány 1079/3, 110 00	Founder	current
CZECH MEDIA INVEST, a.s.	24817236	Praha 1, Josefov, Pařížská 130/26, 110 00	Supervisory Board – Chairman	current
J&T Wine Holding SE	06377149	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	current
J&T ENERGY FINANCING CZK II, a.s.	06433901	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
Bermon94, a.s.	07234660	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
EP Global Commerce a.s.	05006350	Praha 1, Josefov, Pařížská 130/26, 110 00	Supervisory Board – Chairman	current
J&T ARCH INVESTMENTS SICAV, a.s.	08800693	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current

J&T ALLIANCE SICAV, a.s.	11634677	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T CAPITAL INVESTMENTS, a.s.	10913203	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
J&T CAPITAL PARTNERS, a.s.	10942092	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	current
PT Equity Investments SICAV, a.s.	14095688	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T EQUITY PARTNERS, a.s.	17201373	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	current
J&T ENERGY FINANCING EUR II, a. s.	51143062	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
J&T ENERGY FINANCING EUR IV, a. s.	51479982	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
J&T ENERGY FINANCING EUR V, a. s.	51888777	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
J&T ENERGY FINANCING EUR VI, a. s.	52312305	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
J&T ENERGY FINANCING EUR VII, a. s.	52396274	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
J&T ENERGY FINANCING EUR IX, a. s.	52491196	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
J&T ENERGY FINANCING EUR X, a. s.	52661261	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	current
365.bank, a. s.	31340890	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Supervisory Board – Member	out of date
CZECH NEWS CENTER a.s.	02346826	Praha 10, Strašnice, náměstí Marie Schmolkové, 100 00	Supervisory Board – Chairman	out of date
J&T ENERGY FINANCING CZK I, a.s. (in liquidation)	06433855	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
J&T ENERGY FINANCING CZK III, a.s. (in liquidation)	07084030	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
J&T ENERGY FINANCING CZK IV, a.s. (in liquidation)	07381158	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
J&T ENERGY FINANCING EUR I, a. s. v likvidácii (in liquidation)	51142074	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	out of date
J&T ENERGY FINANCING EUR III, a. s. v likvidácii (in liquidation)	51579642	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	out of date
J&T ENERGY FINANCING EUR VIII, a. s. v likvidácii (in liquidation)	52491218	Bratislava – Karlova Ves, Dúbravská cesta 14, 841 04, SR	Supervisory Board – Member	out of date
PBI, a.s.	03633527	Praha 8, Karlín, Sokolovská 394/17, 186 00	Board of Directors – Member	out of date
Stamina Private Equity Investments a.s., (in liquidation)	03841669	Praha 8, Karlín, Pobřežní 297/14, 186 00	Supervisory Board – Member	out of date

Štěpán Ašer, MBA

Chairman of the Board of Directors and Chief Executive Officer

Date of appointment to the Board of Directors:	30 May 2006, Chairman of the Board of Directors from 21 August 2024
Term of office until:	2 June 2026

He is a graduate of the School of Business and Public Management at George Washington University in Washington, D.C., specializing in finance and financial markets. He subsequently graduated with an MBA from the Rochester Institute of Technology. He has worked in finance in the Czech Republic since 1997, first as an analyst and later as a portfolio manager at Credit Suisse Asset Management. From 1999 to 2002 he was a member of the Board of Directors of Commerz Asset Management, responsible for portfolio management and sales. At Česká spořitelna, a.s. he briefly specialized in asset management for institutional clients. Since 2003 he has been working at J&T BANKA, a.s. Within the Bank, he is responsible for the CR Business Department and the CR Operations Department.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Member	current
J&T INVESTIČNÍ SPOLEČNOST, a.s.	47672684	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 8, 811 02, SR	Supervisory Board – Member	current
J&T IB and Capital Markets, a.s.	24766259	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
J&T Leasingová společnost, a.s.	28427980	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
J&T Mezzanine, a.s.	06605991	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
AMISTA investiční společnost, a.s.	27437558	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T RFI IV., a.s.	17843791	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T NOBLESSE OBLIGE, z.ú.	19420218	Praha 1, Malá Strana, Malostranské nábřeží 563/3, 118 00	Board of Directors - Chairman	current
J&T Bank, a.o.	1027739 121651	115035 Moskva, Kadaševskaya naberežnaja, 26, Russian Federation	Board of Directors – Member	out of date
J&T SERVICES ČR, a.s.	28168305	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
ATLANTIK finanční trhy, a.s.	26218062	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	out of date
PBI, a.s.	03633527	Praha 8, Karlín, Sokolovská 394/17, Karlín, 186 00	Supervisory Board – Member	out of date
J&T banka d.d.	675539	Međimurska ulica 28, 42000 Varaždin, Croatia	Supervisory Board – Member	out of date

Ing. Igor Kováč

Member of the Board of Directors

Date of appointment to the Board of Directors:	16 February 2011
Term of office until:	16 February 2026

He is a graduate of the University of Economics in Bratislava, where he graduated from the Faculty of National Economy in 1998. Since the beginning of his professional career he has been working in the financial sphere, in banking since 2000, when he joined Hypovereinsbank Slovakia as Senior Controller. From 2002 to 2008 he worked at Volksbank Slovakia as Director of the Economic Department. Since 2008 he has been working at J&T BANKA, a.s. Within the Bank, he is responsible for the Finance Department.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Member	current
J&T IB and Capital Markets, a.s.	24766259	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T INVESTIČNÍ SPOLEČNOST, a.s.	47672684	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T Leasingová společnost, a.s.	28427980	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T Mezzanine, a.s.	06605991	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T RFI IV., a.s.	17843791	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T banka d.d.	675539	Međimurska ulica 28, 42000 Varaždin, Croatia	Supervisory Board – Chairman	current
J&T SERVICES ČR, a.s.	28168305	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
J&T Bank, a.o.	1027739 121651	115035 Moskva, Kadaševskaya naberežnaja, 26, Russian Federation	Board of Directors – Member	out of date
PBI, a.s.	03633527	Praha 8, Karlín, Sokolovská 394/17, 186 00	Supervisory Board – Member	out of date

Ing. Tomáš Klimíček

Member of the Board of Directors

Date of appointment to the Board of Directors: 1 December 2016

Term of office until: 4 March 2024

He graduated from the University of Economics in Prague, where he completed his Master's degree at the Faculty of Finance and Accounting in 2010. In 2008-2011 he worked at PricewaterhouseCoopers Audit, s.r.o. Since 2011, he has worked at J&T BANKA, a.s., since 2012 as Director of the Credit Risk Management Department. Within the Bank, he is responsible for the Risk Management Department, the Legal Department and the Information Systems Department.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T Leasingová společnost, a.s.	28427980	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 8, 811 02, SR	Supervisory Board – Member	out of date
J&T Bank, a.o.	1027739 121651	115035 Moskva, Kadaševskaya naberežnaja, 26, Russian Federation	Board of Directors – Member	out of date

Ing. Anna Macaláková

Member of the Board of Directors

Date of appointment to the Board of Directors: 11 June 2018

Term of office until: 11 June 2028

She is a graduate of the University of Economics in Bratislava, Faculty of Economics, the field of Finance. Since graduating in 2006, she has been working at the Bank – Bratislava branch, where she has held various positions. Currently, she works at the Bank as the Head of the organisational unit of J&T BANKA, a.s., a branch of the foreign bank in Bratislava. Within the Bank she is responsible for the Bratislava branch.

She is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 8, 811 02, SR	Board of Directors – Chairman	current

Ing. Jan Kotek

Member of the Board of Directors

Date of appointment to the Board of Directors:	1 January 2022
Term of office until:	1 January 2027

He graduated from the University of Economics in Prague. He has been in the financial sphere since the beginning of his professional career. He has been with JTFG Group since 2010, where he first held the position of Director of Credit Risk Management at J&T BANKA, a.s. From 2012 to 2014, he served in the top management of Poštová banka, a.s. in Slovakia. From 2014 to 2021 he worked as a Financial Manager at J&T FINANCE GROUP SE. Since 2019, he has held the position of Head of Credit Operations at J&T BANKA, a.s. and in January 2022 he also became a member of the Board of Directors. Within the Bank he is responsible for the Credit Transactions Department.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
Equity Holding, a.s.	10005005	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Member	current
J&T banka d.d.	675539	Međimurska ulica 28, 42000 Varaždin, Croatia	Supervisory Board – Member	current
J&T Global Finance IX., s.r.o.	51836301	Bratislava, Dvořákovo nábrežie 8, 811 02, SR	Executive Officer	current
ZINO Estate s.r.o.	19817762	Praha 5, Stodůlky, K sopce 1704/1, 155 00	Executive Officer	current
Honpat Invest a.s.	21720398	Praha 8, Libeň, Voctářova 2449/5, 180 00	Board of Directors - Member	current
J&T Mezzanine, a.s.	06605991	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Member	out of date
365.bank, a.s.	31340890	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Supervisory Board – Member	out of date
J&T Global Finance VII., s.r.o. (in liquidation)	05243441	Praha 8, Karlín, Pobřežní 297/14, 186 00	Executive Officer	out of date
J&T Global Finance VIII., s.r.o.(in liquidation)	06062831	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	out of date
J&T Global Finance X., s.r.o.	07402520	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	out of date
J&T Global Finance V., s.r.o. v likvidácii (in liquidation)	47916036	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Liquidator	out of date
J&T Global Finance VI., s.r.o. v likvidácii (in liquidation)	50195131	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Liquidator	out of date

Ing. Michal Kubeš

Member of the Board of Directors

Date of appointment to the Board of Directors: 4 April 2024

Term of office until: 4 April 2029

Michal Kubeš joined JTFG in 2007 from KPMG, where he worked in the Financial Institutions Department. Since then, he has held several positions in the JTFG Group, ranging from advisor to the Board of Directors, group risk manager to Chief Economic Officer and member of the Board of Directors at J&T INVESTIČNÍ SPOLEČNOST, a.s. Since 2023, his primary focus has been on the Bank as Chief Financial Officer. Within the Bank, he is responsible for the Finance, Operations and Compliance departments, and the branch in Germany.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T INVESTIČNÍ SPOLEČNOST, a.s.	47672684	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Supervisory Board – Member	current
AMISTA investiční společnost, a.s.	27437558	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
Nadace Nomeolvides	22345027	Praha 9, Horní Počernice, V humnech 2876/16, 193 00	Board of Directors - Chairman	current
Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.	03451488	Praha 1, Staré Město, Hybernská 1009/24, 110 00	Supervisory Board – Member	out of date
J&T NOVA Hotels SICAV, a.s.	09641173	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
JTPI CZ, a.s., v likvidaci (in liquidation)	09285164	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date
J&T PROPERTY OPPORTUNITIES SICAV, a.s.	09287671	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	out of date

Ing. Petr Vodička

Member of the Board of Directors

Date of appointment to the Board of Directors: 2 December 2024

Term of office until: 2 December 2029

Petr Vodička joined JTFG in 2003 and has since held several senior management positions in the financial markets area focused on operations and business development. Within the Bank, he is responsible for the direction of the financial markets area, which plays a crucial role in managing the Bank's business activities, as well as portfolio management, liquidity management and, last but not least, overall risk management.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
Společenství vlastníků domu č. p. 435 in Vítkovice, Horní Mísečky	07792409	Vítkovice 435, 512 38	Committee – Vice-Chairman	current

2.4.1.3 Supervisory Board

The Supervisory Board is the Bank's controlling body and its activities are regulated by law and the Bank's Articles of Association. The Supervisory Board oversees the performance of the Board of Director' duties and the Bank's business activities. Members of the Supervisory Board are elected and dismissed by the General Meeting (respectively the sole shareholder). According to the Articles of Association, the Supervisory Board has 9 members, with 6 members elected by the sole shareholder and 3 members elected by the Bank's employees. The term of office of the members of the Supervisory Board is five years and re-election is possible.

The Supervisory Board shall meet as required, at least once a year. Meetings of the Supervisory Board shall be held at the Bank's registered office, unless the Supervisory Board has decided otherwise at a previous meeting. Meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board. The Chairman of the Supervisory Board is obliged to convene a meeting of the Supervisory Board without undue delay at the request of any member of the Supervisory Board or at the request of the Board of Directors, or if a qualified shareholder requests the Supervisory Board to review the performance of the Board of Director's duties or informs the Supervisory Board of the intention to bring a shareholder action. If the Chairman of the Supervisory Board does not convene the meeting without undue delay, any member of the Supervisory Board or the Board of Directors may convene the meeting. The Supervisory Board may also take decisions outside the Supervisory Board meeting if all members of the Supervisory Board agree. In such a case, a written ballot or a ballot by technical means shall be admissible. The Supervisory Board is capable of holding a quorum if a majority of the members of the Supervisory Board are present. The Supervisory Board decides by majority vote of the members present.

Ing. Jozef Tkáč

Chairman of the Supervisory Board (not an employee of the Bank)

Date of appointment to the Supervisory Board:	3 June 1998
Term of office until:	15 October 2028

After graduating from the University of Economics, he joined the Main Institute of the State Bank of Czechoslovakia in Bratislava. In 1989, the Slovak government and the management of the SBCS entrusted him with the preparation of the activities of the investment bank in Slovakia. In 1990, he became the Chief Director of the Main Institute for the Slovak Republic at Investiční banka, s.p.ú., Prague, and after the nationalisation and division of Investiční banka Praha, he became the President of Investiční a rozvojová banka, a.s., in Bratislava. After the change of ownership of the Bank and the completion of the privatisation of Investiční a rozvojová banka, a.s., he established himself in the JTFG Group as President of the JTFG Group and Chairman of the Board of Directors of J&T FINANCE GROUP SE.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
ATLANTIK finanční trhy, a.s.,	26218062	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
Equity Holding, a.s.,	10005005	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	current
Nadace J&T	27162524	Praha 1, Malá Strana, Malostranské nábřeží 563/3, 118 00	Board of Directors - Member	current
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Supervisory Board – Chairman	current
365.bank, a.s.	31340890	Bratislava, Dvořákovo nábrežie 4, 811 02, SR	Supervisory Board – Member	current
J&T SERVICES ČR, a.s.	28168305	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	out of date
Geodezie Brno, a.s. (in liquidation)	46345906	Brno, Dornych 47, 602 00	Supervisory Board – Chairman	out of date

Ing. Ivan Jakabovič

Vice-Chairman of the Supervisory Board (not an employee of the Bank)

Date of appointment to the Supervisory Board: 3 June 1998

Term of office until: 15 October 2028

He graduated from the Faculty of Economic Informatics of the University of Economics in Bratislava. He obtained a brokerage license from the Ministry of Finance of the Slovak Republic. In 1994, he co-founded J&T Securities, s.r.o., a securities trader. He is Vice-Chairman of the Board of Directors of J&T FINANCE GROUP SE.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Vice–Chairman	current
J&T CAPITAL PARTNERS, a.s.	10942092	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
J&T EQUITY PARTNERS, a.s.	17201373	Praha 8, Karlín Sokolovská 700/113a, Karlín, 186 00	Supervisory Board – Chairman	current
EP Power Europe, a.s.,	27858685	Praha 1, Josefov, Pařížská 130/26, 110 00	Supervisory Board – Member	current
KOLIBA REAL, s. r. o.	35725745	Bratislava, Dvořákovo nábrežie 8, 811 02, SR	Board of Directors – Chairman	current
J & T Securities, s.r.o.(in liquidation)	31366431	Bratislava, Dvořákovo nábrežie 8, 811 02, SR	Executive Officer	out of date

Ing. Dušan Palcr

Member of the Supervisory Board (not an employee of the Bank)

Date of appointment to the Supervisory Board: 15 June 2004

Term of office until: 15 October 2028

He graduated from the Faculty of Operations and Economics of the University of Agriculture in Brno. In 1995-1998 he worked in the CNB's banking supervision. Since 1998 he has been active in the JTFG group. He was a member of the Board of Directors of J&T BANKA, a.s., responsible for the management of the Economics and Banking Operations Department. Since 2003 he has been a member of the Board of Directors of J&T FINANCE GROUP SE.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Vice–Chairman	current
J&T Sport Team ČR, s.r.o.	24215163	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
AC Sparta Praha fotbal, a.s.	46356801	Praha 7, Tř. Milady Horákové 1066/98, 170 00	Supervisory Board – Chairman	current
I. Český Lawn – Tennis Klub Praha	45243077	Praha 7, Holešovice, Ostrov Štvanice no. 38, 170 00 38, 170 00	Member of the Executive Committee	current

Nadace J&T	27162524	Praha 1, Malá Strana, Malostranské nábřeží 563/3, 118 00	Board of Directors – Member	current
Karlín development II. s.r.o.,	28161980	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
J&T REAL ESTATE CZ, a.s.	28255534	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Chairman	current
GLOBDATA a.s.	05642361	Praha 1, Staré Město, Na Příkopě 393/11, 110 00	Supervisory Board – Member	current
Doblecon a.s.	07015381	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
Česká rugbyová unie, z.s.	00540706	Praha 6, Břevnov, U Vojtěšky č.ev. 11, 162 00	Executive Committee – President	current
RAILSCANNER, s.r.o.	07842511	Praha 2, Vinohrady, Italská 2581/67, 120 00	Supervisory Board – Chairman	current
JTZE a.s.	08839662	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Chairman	current
Menmar s.r.o.	13976257	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
Baunario s.r.o.	11773430	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
Alvadose s.r.o.	11773189	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
MeasureTake s.r.o.	07209533	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
J & T REAL ESTATE ENGINEERING s.r.o.	14319535	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
J&T REAL ESTATE SMART SOLUTIONS a.s.	01942603	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Supervisory Board – Member	current
SALIX MORAVA s.r.o.	25380893	Horní Moštěnice, Revoluční 130/30, 751 17	Executive Officer	current
AGROSUMAK s.r.o.	47672404	Suchdol nad Odrou, Komenského 211, 742 01	Executive Officer	current
Agro – společnost MORAVA s.r.o.	47676159	Kojetín – Kojetín I-Město, Komenského náměstí 1052, 752 01	Executive Officer	current
Farma Neznašovy s.r.o.	25242041	Klatovy, Sobětice 75, 339 01	Executive Officer	current
ROLANA s.r.o.	26961962	Černilov, Újezd 60, 503 03	Executive Officer	current
POTATO s.r.o.	26969670	Jihlava – Heroltice 65, 586 01	Executive Officer	current
STATEK SOBĚTICE s.r.o.	46886087	Klatovy, Sobětice 75, 339 01	Executive Officer	current
Farma Blovice s.r.o.	47719672	Blovice, Luční 812, 336 01	Executive Officer	current
AGROSALES s.r.o.	27777944	Suchdol nad Odrou, Komenského 211, 742 01	Executive Officer	current
POLINE s.r.o.	62958500	Nebovidy no. 73, 280 02	Executive Officer	current
EUROFARMS AGRO-B s.r.o.	60066377	Kardašova Řečice, Palackého 740, 378 21	Executive Officer	current
Žďár Chudenice s.r.o.	49789775	Klatovy, Sobětice 75, 339 01	Executive Officer	current

EUROFARMS JIHLAVA s.r.o.	25252895	Jihlava, Heroltice 65, 586 01	Executive Officer	current
JTZE Sobětice s.r.o.	09001271	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
JTZE Horní Moštěnice s.r.o.	09001255	Horní Moštěnice, Revoluční 130/30, 751 17	Executive Officer	current
Blumenaugen s.r.o.	11774169	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
Ekofarma Čachrov s.r.o.	11935332	Klatovy, Sobětice 75, 339 01	Executive Officer	current
Rohan D one, s.r.o.	17490421	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
ZE Nitra s.r.o.	17711304	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
Ekofarma Neurazy s.r.o.	17893194	Blovice, Luční 812, 336 01	Executive Officer	current
Radar s.r.o.	31436846	Zbehy, Poľnofarma 479, 951 42	Executive Officer	current
GREEN POINT, spol. s r.o.	36551678	Farná 1545, 935 66	Executive Officer	current
JTZE Slovensko s.r.o.	47852291	Farná 1545, 935 66	Executive Officer	current
Poľnohospodárske družstvo Podhorany	00614041	Podhorany 220, 951 46	Board of Directors – Member	current
Agro Odersko, a.s.	25366726	Odry, tř. Osvobození 25, 742 35	Board of Directors - Member	current
JTZ global a.s.	09030310	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Member	current
Rohan D three, s.r.o.	19396121	Praha 8, Karlín, U Sluncové 666/12a, 186 00	Executive Officer	current
Rohan D four, s.r.o.	19396007	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	current
MS Trnitá 3 a.s.	05783216	Brno, Černá Pole, třída Kpt. Jaroše 1922/3, 602 00	Supervisory Board – Member	out of date
Invictus development s.r.o.	07295049	Praha 4, Chodov, Stýblova 2352/30a, 149 00	Supervisory Board – Chairman	out of date
PBI, a.s	03633527	Praha 8, Karlín, Pobřežní 297/14, 186 00	Supervisory Board – Chairman	out of date
Skytoll CZ s.r.o., v likvidaci (in liquidation)	03344584	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Executive Officer	out of date
Stadion Eden, a.s.	24128295	Praha 10, Vršovice, U Slavie 1540/2a, 100 00	Board of Directors – Member	out of date

Mgr. Jozef Šepetka

Member of the Supervisory Board

Date of appointment to the Supervisory Board:	9 September 2008
Term of office until:	15 October 2028

He graduated from the Faculty of Law of Charles University. Since 1990 he has worked in the field of state administration – for example, since 1992 he worked at the Ministry of Foreign Affairs of the Czech Republic. He joined J&T BANKA, a.s. in 1998 as a consultant.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
Nadace pro rozvoj České filharmonie	19584024	Praha 1, Staré Město, Alšovo nábřeží 79/12, 110 00	Board of Directors - Member	current
Nadační fond SmetaNOVÝ sál	22170260	Litomyšl, Záhradí, Jiráskova 133, 570 01	Board of Directors – Member, founder	current
Společenství V Podbabě 2738, Praha 6	01507672	Praha 6, Dejvice, V Podbabě 2738/12, 160 00	Committee – member	current
Společenství vlastníků v domě Zikova 708	27426955	Praha 6, Dejvice, Zikova 5/708, 160 00	Committee – Vice-Chairman	current

Jitka Šustová

Member of the Supervisory Board

Date of appointment to the Supervisory Board:	10 December 2018
Term of office until:	15 December 2028

She has been working at the Bank since 1998. Since then, she has held many positions within the economic department and currently holds the position of Director of the Economic Department. She was elected to the Supervisory Board by the Bank’s employees in December 2018 and was re-elected in December 2023.

She has not worked in any other companies in the past 5 years.

JUDr. Jaroslava Sragner

Member of the Supervisory Board

Date of appointment to the Supervisory Board:	14 October 2022
Term of office until:	14 October 2027

She graduated from the Faculty of Law in Košice, since 2007 she has been working in the field of law (executor’s office, ZSE, Lidl, Prima banka), since 1 January 2018 she has been working at J&T BANKA, a.s., currently as the Director of the Legal Department of the Slovak branch of the Bank. In September 2022, she was elected to the Supervisory Board by the Bank’s employees.

She has not worked in any other companies in the past 5 years.

Jozef Kollár

Member of the Supervisory Board

Date of appointment to the Supervisory Board: 26 February 2024

Term of office until: 26 February 2029

He graduated from the University of Economics in Bratislava, the Slovak Academy of Sciences and continued his studies in the United States at the University of Wisconsin, Oklahoma City University and then at Yokohama University in Japan. He has been in the banking sector since 1990, working as a department director at the State Bank of Czechoslovakia, and later became a member of the Board of Directors and CEO of Volksbank AG. From 2010 to 2016, he was a Member of the Parliament of the Slovak Republic and subsequently First Vice President of the International Investment Bank in Budapest.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Vice–Chairman	current

Marc Derydt

Member of the Supervisory Board

Date of appointment to the Supervisory Board: 26 February 2024

Term of office until: 26 February 2029

Marc Derydt is a graduate of HEC Liège and has completed executive education programs at the Wharton School and Harvard Business School. He started his career as an auditor at V. Emons and then worked as Audit Manager at KPMG Belgium. Marc Derydt served as the Head of Internal Audit at Glaverbel Group and held the position of Head of Audit at KPMG Slovakia from 1997 to 2022. From 2016 to 2023, he was CEE Head of Audit at KPMG CEE, where he coordinated the work of more than 2,500 auditors.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
J&T FINANCE GROUP SE	27592502	Praha 8, Karlín, Sokolovská 700/113a, 186 00	Board of Directors – Vice–Chairman	current

Ing. Radoslav Míšek

Member of the Supervisory Board elected by the employees

Date of appointment to the Supervisory Board: 15 March 2024

Term of office until: 15 March 2029

He has been working at the Bank since 2006, currently in the position of Director of the Risk Management Division. In March 2024, he was elected to the Supervisory Board by the Bank's employees.

He is also active or has been active in the following companies in the last 5 years:

Company	*Company ID No.*	*Registered office*	*Position*	*Status*
Odborná společnost filatelistických studií, pobočný spolek Svazu českých filatelistů, z.s.	22383506	Praha 1, Nové Město, Klimentská 2062/6, 110 00	Controller	current

2.4.1.4. Audit Committee

The Audit Committee (hereinafter referred to as the “AC”) is established by the Bank’s Articles of Association. The main objective and purpose of the establishment of the AC as an advisory body to the Bank’s Supervisory Board is to supervise the process of preparing the financial statements and the system of effectiveness of internal control and internal audit, including the risk management process. The AC monitors the effectiveness of the internal control and management system, monitors the effectiveness of the internal audit function and its functional independence, discusses the appointment and dismissal of the head of the internal audit department, monitors the process of preparing the financial statements and consolidated financial statements, monitors the process of the statutory audit of the financial statements and consolidated financial statements, assesses the independence of the statutory auditor and the audit firm, and in particular the provision of additional services to the auditee, selects and recommends the auditor to the Bank’s Supervisory Board for the statutory audit, informs the Bank’s Supervisory Board about the outcome of the statutory audit and its findings from monitoring the statutory audit process. The Chairman and members of the AC are appointed and removed by the Bank’s General Meeting (from the Supervisory Board or third parties). At least one member of the AC is independent of the Bank and must have at least three years of experience in accounting or statutory auditing.

As of 31 December 2024, the composition of the AC was as follows:

Name	*Position of the member*
Závitkovský Pavel, Ing.	Chairman of the AC, external collaborator
Kovář Jakub, Ing.	Member of the AC, external collaborator
Palcr Dušan, Ing.	Member of the AC, Member of the Supervisory Board, Deputy Chairman of the Board of Directors of J&T FINANCE GROUP SE

The AC meets at least four times a year. The Chairman is obliged to convene a meeting of the AC whenever a member of the Committee, the Chairman of the Supervisory Board, the Board of Directors or the Director of Internal Audit requests so, provided that they also state an urgent reason for convening it. The AC decides by a majority of all members. Only members of the AC may attend meetings of the AC. The Secretary of the AC may attend meetings unless the AC decides otherwise. The AC may, at its discretion, invite other persons to attend the meeting. They may be members of the Supervisory Board, the Board of Directors, representatives of the external auditor, or, if the nature of the matters under discussion so requires, senior employees of the Bank or other experts.

DECLARATION

The members of the Management Board and the Supervisory Board have not been convicted of fraudulent offences, have not been judicially disqualified from holding office as a member of the administrative, management or supervisory bodies of another company or from holding office in the management or conduct of the business of another company. No official public charges or sanctions have been or are pending against members of the Bank’s management by statutory or regulatory bodies. In the last five years, members of the Bank’s management have not been associated with insolvency proceedings of other companies.

2.4.2 THE BANK'S EXPERT COMMITTEES

Asset and Liability Committee

The Asset and Liability Committee ("ALCO") is established by the Board of Directors of the Bank. The main objective and purpose of establishing ALCO is to ensure the process of managing the Bank's assets and liabilities in terms of liquidity, interest rate risk, profitability of the Bank and capital adequacy. In particular, ALCO monitors the Bank's liquidity, interest rate and FX risk, compliance with internal and external limits in these areas, analyses possible future scenarios, monitors compliance with internal and regulatory capital adequacy limits at the individual and consolidated level, respectively prudential consolidation, assesses the impact of legislative changes on the Bank's assets and liabilities, reacts to the situation on the financial markets, analyses competitors' prices and products and their impact on the Bank's business and prices, monitors the maturity of significant active and passive trades, assesses the impact of expected new trades on risk, limits and profitability, decides on interest rates for deposit products, decides on measures in the area of market risk management, prudential business and in the commercial area. The Chairman and members of the ALCO are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of ALCO was as follows:

Name	*Position of the member*
Kováč Igor, Ing.	Chairman of the ALCO, Member of the Board of Directors
Ašer Štěpán, MBA	Member of the ALCO, Member of the Board of Directors
Kotek Jan, Ing.	Member of the ALCO, Member of the Board of Directors
Macaláková Anna, Ing.	Member of the ALCO, Member of the Board of Directors
Kubeš Michal, Ing.	Member of the ALCO, Member of the Board of Directors

The ALCO usually meets once a month at a regular meeting. The quorum of ALCO shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the ALCO may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the ALCO Secretary. Department heads and other Bank employees are entitled to submit materials to the agenda after prior approval by an ALCO member.

Investment Committee

The Investment Committee ("IC") is established by the Board of Directors of the Bank. The main objective and purpose of the IC is to support the investments included in the Bank's trading portfolio, currency and commodity positions. Another objective of the IC is the coordination and monitoring of investments included in the trading portfolio, currency and commodity positions of individual BCU members and at a consolidated level. The IC, in particular, discusses and approves limits or other parameters for the Bank's trading portfolio, currency and commodity positions, within the scope specified in the Bank's internal regulations governing the limits for concluding the Bank's trades, establishes a set of liquidity risk indicators, establishes and approves the construction of liquidity scenarios, approves the inclusion of a security on the list of securities permitted for trading within the framework of client portfolio management, and regularly evaluates compliance with the established limits. The Chairman and members of the IC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of IC was as follows:

Name	*Position of the member*
Míšek Radoslav, Ing., Ph.D.	Chairman of the IC, Director of Risk Management
Vodička Petr, Ing.	Member of the IC, Member of the Board of Directors
Kubeš Michal, Ing.	Member of the IC, Member of the Board of Directors
Pavlík Jan, Ing.	Member of the IC, Director of the Financial Markets Department of the Czech Republic Foreign Account
Kováč Igor, Ing.	Member of the IC, Member of the Board of Directors
Staník Damián, Ing.	Member of the IC, Director of the Economic Department

The IC shall normally meet twice a month in regular session. The quorum of the IC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the IC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the IC Secretary. Department Directors and other employees of the Bank are entitled to submit materials to the agenda of the IC after their prior approval by a member of the IC.

Credit Committee

The Credit Committee (hereinafter referred to as the "CC") is established by the Board of Directors of the Bank. The main objective and purpose of establishing the CC is to support the Bank's investment portfolio business. The CC provides recommendations to the Bank's Board of Directors for the approval of Above-limit Active Transactions or changes to the conditions of the Above-limit Active Transactions; in case of the Bank's active transactions exceeding EUR 10 million (within the total exposure of members of the JTFG regulated consolidated group to a client), the CC shall also take into account the opinion of the JTFG Group Credit Committee in its recommendation, which it also reports to the Bank's Board of Directors, including any decision by the JTFG Executive Committee not to execute the transaction; approves active transactions of the Bank's subsidiary exceeding CZK 25 million (within the total exposure of the subsidiary's active transactions to a client), or even lower active transactions if requested by the subsidiary; approves the method of recovery for non-performing Below-limit Active Transactions and provides recommendations to the Bank's Board of Directors for approval of the recovery method for non-performing Above-limit Active Transactions.

Furthermore, it maintains records of active transactions that were approved with exemptions from the valid methodology for active transactions, and based on proposals from the Credit Risk Management Division, discusses and decides on the categorization of receivables from active transactions. The Chairman and members of the ÚV are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of ÚV was as follows:

Name	*Position of the member*
Hejduk Tomáš, Ing.	Chairman of the CC, Director of Credit Risk Management
Szuťányi Ladislav, Mgr.	Member of the CC, Director of the Active Business Administration Department
Goláň Jan, Ing.	Member of the CC, Director of the Workout Department
Plášil Václav, Ing.	Member of the CC, Director of the SME Department
Kotek Jan, Ing.	Member of the CC, Member of the Board of Directors

The CC shall normally meet once a week in a regular session. The quorum of the CC shall be at least a majority of its members, and it shall decide in principle by a majority of the members present. Between meetings, the CC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the CC Secretary. Department Directors and other employees of the Bank are entitled to submit materials to the agenda of the CC after their prior approval by a member of the CC.

Project Committee

The Project Committee ("PC") is established by the Board of Directors of the Bank. The main objective and purpose of the PC is to manage internal projects with a bank-wide impact (both in the Czech Republic and Slovakia). The PC discusses new projects with a Bank-wide impact in the context of the Bank's strategic development, regulatory requirements and business plans, discusses the status of individual projects, and discusses changes to projects with an impact on project content, project schedule or project budget. The Chairman and members of the PV are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the PC was as follows:

Name	*Position of the member*
Rokos Ladislav	Chairman of the PC, Director of Operations of the Czech Republic
Klimíček Tomáš, Ing.	Member of the PC, Advisor to the Board of Directors
Macaláková Anna, Ing.	Member of the PC, Member of the Board of Directors
Tkáčová Alena, Ing.	Member of the PC, Director of the Trade Department CC
Vodička Petr, Ing.	Member of the PC, Member of the Board of Directors
Kotek Jan, Ing.	Member of the PC, Member of the Board of Directors

Kottink Pavel, Ing.	Member of the PC, Director of Information Systems
Jech Konstantin, Ing.	Member of the PC, Director of the Security Department
Staník Damián, Ing.	Member of the PC, Director of the Economic Department

The PC shall normally meet once every 14 days in a regular session. The quorum of the PC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the PC may decide by per rollam vote. Proposals for new projects are submitted to the programme by individual members of the PC or selected senior staff.

Executive Committee of the Czech Republic

The Executive Committee of the Czech Republic (hereinafter referred to as the "EC CR") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the EC CR is to ensure operational and procedural management of the Bank's head office activities. In particular, the EC CR discusses and proposes to the Bank's Board of Directors specific procedures for the purpose of implementing the overall strategy approved by the Bank's Board of Directors at the Bank's headquarters, discusses and proposes to the Bank's Board of Directors the establishment and amendment of rules, which clearly articulate the ethical and professional principles and expected patterns of behaviour and conduct of staff in accordance with these principles and rules, and their promotion, application and enforcement at the Bank's head office, assesses the organisational set-up of the Bank's head office, taking into account the separation of incompatible functions and the avoidance of potential conflicts of interest, and propose to the Bank's Board of Directors changes to the organisational set-up of the Bank's headquarters, discuss the concept and priorities related to the management of the Bank's human resources at the headquarters, discuss proposals for new products, activities and systems and other matters of fundamental importance to the Bank or otherwise likely to have a material impact, and submits proposals to the Bank's Board of Directors for approval, discusses the Bank's head office business terms and conditions and changes thereto, submits proposals to the Bank's Board of Directors for approval, and discusses and approves new Bank headquarters projects and changes thereto in the context of the Bank's strategic development, regulatory requirements and business plans. The Chairman and members of the EC CR are appointed and dismissed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the EC CR was as follows:

Name	*Position of the member*
Klimíček Tomáš, Ing.	Chairman of the EC CR, Advisor to the Board of Directors
Jech Konstantin, Ing.	Member of the EC CR, Director of the Security Department
Kotek Jan, Ing.	Member of the EC CR, Member of the Board of Directors
Kottink Pavel, Ing.	Member of the EC CR, Director of Information Systems
Rokos Ladislav	Member of the EC CR, Director of the CR Operation Department
Staník Damián, Ing.	Member of the EC CR, Director of the Economic Department
Tkáčová Alena, Ing.	Member of the EC CR, Director of the CR Trade Department
Vodička Petr, Ing.	Member of the EC CR, Member of the Board of Directors

The EC CR usually meets once a week at a regular session. The quorum of the EC CR is present if at least a majority of its members are present, and it decides by a majority of all members. Between meetings, the EC CR may decide by per rollam voting. The proposal for the agenda is submitted by the individual members of the Committee to the Secretary of the EC CR. Department directors and other employees of the Bank are entitled to submit materials to the agenda of the EC CR after their prior approval by a member of the EC CR.

Trade Committee of the Czech Republic

The Trade Committee of the Czech Republic (hereinafter referred to as the "TC CR") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the TC CR is to support the business direction of the Bank's headquarters. In particular, the TC CR monitors the current state of the development of the implementation of the Bank's headquarters business plans and business strategy, analyses the prices of competitors' products and their impact on the Bank's head office business and product prices, proposes the Bank's head office business plans and submits them to the Bank's Board of Directors, evaluates the impact of closed deals with the CR Trade Division, discusses proposals for the introduction/changes of products and services at the Bank's headquarters and submits its opinion to the Executive Committee CR, discusses and approves the Bank's headquarters fee schedules and amendments thereto, decides on exceptions to the Bank's headquarters fee schedule and the manner in which fees are applied to individual banking products and services of the Bank's headquarters, decides on the structure of contractual documentation for individual banking products and services provided by the Bank's headquarters, proposes the marketing policy towards the Bank's headquarters customers and submits proposals to the Bank's Board of Directors, and determines the procedures for the provision of banking services by the Bank's headquarters. The Chairman and the members of the TC CR are appointed and dismissed by the Board of Directors of the Bank.

As of 31 December 2024, the composition of the TC CR was as follows:

Name	*Position of the member*
Tkáčová Alena, Ing.	Chairwoman of the TC CR, Director of the Czech Trade Department
Svoboda Vratislav, Ing. MBA	Member of the TC CR, Director of the Private Banking Department CR
Kučera Jiří, Bc.	Member of the TC CR, Director of the Premium Banking Department CR
Plášil Václav, Ing.	Member of the TC CR, Director of the SME Department
Pavlík Jan, Ing.	Member of the TC CR, Director of the Financial Markets Department CR foreign account
Rampula Tomáš, Ing.	member of the TC CR, Director of the External Sales Department
Šepetka Josef, Mgr.	Member of the TC CR, advisor

The TC usually meets once a month at a regular meeting. The quorum of TC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the TC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the TC Secretary. Department directors and other employees of the Bank are entitled to submit materials to the agenda of the TC after their prior approval by a member of the TC.

Security Committee

The Security Committee (hereinafter referred to as the "SC") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the SC is to manage security risks. The SC is responsible for developing and submitting proposals to reduce security risks to a socially acceptable value, for controlling and evaluating the Bank's security risks and for supervising the implementation of proposals approved by the Bank's Board of Directors to eliminate security risks. The Chairman and members of the BV are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the SC was as follows:

Name	*Position of the member*
Jech Konstantin, Ing.	Chairman of SC, Director of Security
Ašer Štěpán, MBA	Member of the SC, Chairman of the Board
Broschinski Petr	Member of the SC, cyber security architect
Gajdoš Jan, Ing.	Member of the SC, physical security manager
Husár Marian, Mgr. Ing. M.Jur., LL.M.	Member of the SC, Director of the Legal Department
Janík Tomáš, Ing.	Member of SC, Director of the Operations Division SR
Kottink Pavel, Ing.	Member of the SC, Director of Information Systems
Macálka Vladimír, Mgr.	Member of the SC, Director of Compliance
Morávek Martin, Ing.	Member of the SC, senior business consultant SR
Nouza Pavel, Ing.	Member of the SC, Internal auditor
Rokos Ladislav	Member of the SC, Director of Operations, Czech Republic
Briaková Veronika, JUDr.	Member of the SC, Compliance and GDPR Specialist (organizational unit of J&T BANKA SR)
Kadlecová Tereza, Mgr.	Member of the SC, Group Data Protection Officer

The SC shall meet as a rule once a quarter at a regular meeting. The quorum of SC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the SC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the SC Secretary. Department directors and other employees of the Bank are entitled to submit materials to the agenda of the SC after their prior approval by a member of the SC.

Operational Risk and Loss Committee

The Operational Risk and Loss Committee ("ORLC") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the ORLC is to discuss claims and operational risk of the Bank. Another objective of the ORLC is the coordination and monitoring of operational risk of individual BCU members and at a consolidated level. The ORLC is responsible for developing and submitting proposals to reduce operational risk and loss to a socially acceptable value, for controlling and evaluating the Bank's operational risk and for supervising the implementation of proposals approved by the Bank's Board of Directors to eliminate operational risk and loss. The Chairman and members of the ORLC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the ORLC was as follows:

Name	*Position of the member*
Husár Marian, Mgr. Ing. M.Jur., LL.M.	Chairman of the ORLC, Director of the Legal Department
Briaková Veronika, JUDr.	Member of the ORLC, Compliance and GDPR Specialist (organizational unit of J&T BANKA SR)
Jech Konstantin, Ing.	Member of the ORLC, Director of Security
Míšek Radoslav, Ing., Ph.D.	Member of the ORLC, Director of Risk Management
Mikoš Marek, Ing.	Member of the ORLC, Internal auditor
Sležka Milan, Ing.	Member of the ORLC, Director of the Operations Division CR
Tomeš Libor, Ing.	Member of the ORLC, Director of Business Architecture
Rychtová Petra, Ing.	Member of the ORLC, Director of Support CR
Macálka Vladimír, Mgr.	Member of the ORLC, Director of Compliance
Růžička Jan, Ing.	Member of the ORLC, advisor
Šustová Jitka	Member of the ORLC, Director of the Economic Department CR
Slobodník Michal, Mgr.	Member of the ORLC, Director of Technical Building Management

The ORLC usually meets once a month at a regular meeting. The quorum of ORLC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the ORLC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the ORLC Secretary. Department directors and other Bank employees are entitled to submit materials to the ORLC agenda after prior approval by an ORLC member.

Investment Instruments Committee

The Investment Instruments Committee ("IIC") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the IIC is to supervise the system of development, marketing and management of products that are investment instruments, in particular to ensure that the interests, objectives and characteristics of clients are taken into account, to prevent potential damage to clients and to minimise conflicts of interest. The IIC evaluates the timeliness and appropriateness of the methodology for the design, development and management of new products and changes to them, discusses proposals for changes to the methodology, discusses proposals for new products and changes to them, monitors and evaluates the products offered, evaluates cooperation with product developers and distributors, and reviews the expertise of those responsible for developing their own products, defines individual client target markets and their parameters, taking into account knowledge requirements, experience, financial objectives, needs, ability to cope with losses and individual risk tolerance, periodically reviews individual target markets and their parameters, determines positive and negative markets for each investment product, periodically reviews the classification of products offered into target markets, determines and evaluates the manner in which products are offered and distributed and their compliance with established product target markets, establishes a standard target market for products not actively offered by the Bank, reviews the fee structure associated with each product, including reviewing whether the costs and fees for the product are compatible with the needs, objectives and characteristics of the relevant target market, establishes definitions of client investment strategies in relation to the defined investment strategies, analyses the risks of negative product development on clients and on the Bank's resources, particularly in view of changes in the market situation, and assesses potential conflicts of interest in offering and distributing products. The IIC deals with proprietary and distributed investment instruments. The Chairman and members of the VIN are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of VIN was as follows:

Name	*Position of the member*
Vodička Petr, Ing.	Chairman of the IIC, Member of the Board of Directors
Tkáčová Alena, Ing.	Member of the IIC, Director of the Trade Department CR
Macaláková Anna, Ing.	Member of the IIC, Member of the Board of Directors
Macálka Vladimír, Mgr.	Member of the VIN, Director of Compliance
Martinec Tomáš, Mgr.	Member of the IIC, CEO of J&T INVESTIČNÍ SPOLEČNOST, a.s.
Kotek Jan, Ing.	Member of the IIC, Member of the Board of Directors

The IIC meets as needed, but at least four times a year. The quorum of IIC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the IIC may decide by per rollam vote. The proposal for the agenda shall be submitted by individual committee members or other authorised persons by e-mail to the IIC Secretary.

Executive Committee SR

The Executive Committee of the SR (hereinafter referred to as the "Executive Committee SR") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the EC SR is to support the operational and procedural management of the activities of the Bank's SR branch. In particular, the EC SR discusses and proposes to the Bank's Board of Directors specific procedures for the purpose of implementing the overall strategy approved by the Bank's Board of Directors at the Bank's SR Branch, discusses and proposes to the Bank's Board of Directors the establishment and amendment of rules that clearly articulate ethical and professional principles and expected patterns of behaviour and actions of employees in accordance with these principles and rules, and their promotion, implementation and enforcement at the Bank SR Branch, establishes procedures for the provision of banking services by the Bank SR Branch, establishes rules for the internal operation of the SR branch, discusses the SR branch's terms and conditions and amendments thereto, submits proposals to the Bank's Board of Directors for approval, discusses proposals for new products, activities and systems and other matters of fundamental importance to the Bank or otherwise likely to have a material impact, and submits proposals to the Bank's Board of Directors for approval, discusses the concept and priorities related to the management of human resources of the SR branch, discusses and approves new projects of the SR branch and their changes in the context of the strategic development of the SR branch, regulatory requirements and business plans, decides on the structure of contractual documentation for individual banking products and services provided by the SR branch, discusses proposals for the organisational structure of the SR branch and submits them to the Bank's Board of Directors, decides on the use of the Social Fund and other special-purpose funds established by the SR branch. The Chairman and members of the EC SR are appointed and dismissed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the EC SR was as follows:

Name	*Position of the member*
Macaláková Anna, Ing.	Chairman of the EC SR, Member of the Board of Directors
Tereková Mária, Ing.	Member of the EC SR, Director of the Economic Department of the Slovak Republic
Janík Tomáš, Ing.	Member of the EC SR, Directorof the Operations Division SR
Segeč Ondrej, Ing.	Member of the EC SR, Director of the Private Banking Department SR
Čederlová Monika, Mgr.	Member of the EC SR, Director of the Comfort Department SR

Belejík Marián	Member of the EC SR, Director of the Business Support Department of the Operations Division SR
Morávek Martin, Ing.	Member of the EC SR, senior business consultant SR
Jech Konstantin, Ing.	Member of the EC SR, Director of the Security Department
Sragner Jaroslava, JUDr.	Member of the EC SR, Member of the statutory body
Pohanková Pavla	Member of the EC SR, Marketing specialist

VThe EC SR usually meets once a week in a regular session. A quorum shall be present if at least an absolute majority of the members of the SC SR is present and a decision shall be taken by an absolute majority of all members. Between meetings, the EC SR may decide by per rollam voting. The proposal for the agenda shall be submitted by the individual members of the Committee to the Secretary of the EC SR. The directors of the departments and other employees of the Bank are entitled to submit materials to the agenda of the EC SR after their prior approval by a member of the EC SR.

Trade Committee of the Slovak Republic

The SR Trade Committee (hereinafter referred to as the "TC SR") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the TC SR is to support the business direction of the Bank's SR branch. In particular, the TC SR monitors the current state of the development of the implementation of the business plans of the SR branch of the Bank, analyses the prices of competitors' products and their impact on the business and prices of the SR branch's products, analyses the introduction of new products of the SR branch and submits proposals for new products to the Executive Committee SR, discusses and approves proposals for changes to the fee schedules of the SR branch, decides on exemptions from the fee schedule of the SR branch and the method of applying fees to individual banking products and services, evaluates the impact of concluded transactions in private banking and in the Comfort segment, proposes the marketing policy towards the customers of the SR branch and submits proposals to the Bank's Board of Directors. The Chairman and the members of the TC SR are appointed and dismissed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the TC SR was as follows:

Name	*Position of the member*
Macaláková Anna, Ing.	Chairman of the TC SR, Member of the Board of Directors
Janík Tomáš, Ing.	Member of the TC SR, Director of Operations SR
Čederlová Monika, Mgr.	Member of the TC SR, Director of the SR Comfort Department
Segeč Ondrej, Ing.	Member of the TC SR, Director of the SR Private Banking Department
Pohanková Pavla	Member of the TC SR, Marketing specialist
Belejík Marián	Member of the TC SR, Director of the Business Support Department of the Operations Division SR

The TC SR shall meet as a rule once a week at a regular meeting. The quorum of the TC SR shall be a majority of its members, and it shall act by a majority of all its members. Between meetings, the TC SR may decide by per rollam voting. The proposal for the agenda shall be submitted by the individual members of the Committee to the Secretary of the TC SR. Department directors and other employees of the Bank are entitled to submit materials to the agenda of the TC SR after their prior approval by a member of the TC SR.

Remuneration Committee

The Remuneration Committee (the "RC") is established by the Bank's Supervisory Board. The main objective and purpose of the establishment of the RC is to support the Supervisory Board in establishing and evaluating the Bank's remuneration system and principles. The RC prepares proposals for changes to the remuneration system and principles for the Bank's Supervisory Board, regularly evaluates compliance with the remuneration principles and presents the results of the evaluation to the Bank's Supervisory Board, evaluates the compliance of the remuneration principles with the Bank's current business model and their consistency with the Bank's business cycle and presents the results of the evaluation to the Bank's Supervisory Board, proposes to the Bank's Supervisory Board the inclusion of individual positions among persons with influence on the Bank's risk profile, supports the Bank's Supervisory Board in evaluating the effectiveness and functionality of the remuneration principles. The Chairman and members of the RC are appointed and dismissed by the Bank's Supervisory Board.

As of 31 December 2024, the composition of VPO was as follows:

Name	*Position of the member*
Jakabovič Ivan, Ing.	Chairman of the RC, Vice-Chairman of the Board of Directors of J&T FINANCE GROUP SE
Závitkovský Pavel	Member of the RC, external collaborator
Kollár Jozef, Ing. Ph.D	Member of the RC, Member of the Supervisory Board
Šustová Jitka	Member of the RC, Director of the Economic Department CR
Vinšová Eva, MBA	Member of the RC, HR Director of J&T SERVICES ČR, a.s.

The RC meets at least once a year, or at the request of the Bank's Supervisory Board. The quorum of RC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the RC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the RC Secretary. Department directors and other Bank employees are entitled to submit materials to the RC agenda after prior approval by an RC member.

Recovery and Resolution Committee

The Recovery and Resolution Committee ("RRC") is established by the Board of Directors of the Bank. The main objective and purpose of the establishment of the RRC is to discuss the areas of recovery planning and resolution planning. Another objective of the RRC is to discuss agendas related to Resolution Planning and Recovery Plans, propose to the Bank's Board of Directors measures to correct identified deficiencies and ensure the implementation of measures adopted by the Bank's Board of Directors. The Chairman and members of the VRR are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of VRR was as follows:

Name	*Position of the member*
Míšek Radoslav, Ing., Ph.D.	Chairman of the RRC, Director of Risk Management
Veselá Monika, Ing.	Member of the RRC, PR Manager
Macálka Vladimír, Mgr.	Member of the RRC, Director of Compliance
Tomeš Libor, Ing.	Member of the RRC, Director of Business Architecture
Husár Marian, Mgr. Ing. M.Jur. LL.M.	Member of the RRC, Director of the Legal Section
Šedivý Libor, Ing.	Member of the RRC, Director of the CIO Office
Mikoš Marek, Ing.	Member of the RRC, Internal auditor – Accounting and Reporting (from 6 March 2024)
Večerek Jan, Ing.	Member of the RRC, Head of Business Support Department, Financial Division (from 26 June 2024)

The RRC normally meets once a quarter in a regular session. The quorum of RRC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the RRC may decide by per rollam vote. The proposal for the agenda shall be submitted by the individual committee members to the RRC Secretary. Department directors and other Bank employees are entitled to submit materials to the RRC agenda after prior approval by an RRC member.

ESG Committee

The ESG Committee ("ESGC") is established by the Board of Directors of the Bank. The main objective and purpose of its establishing is to discuss the ESG matters at the level of the collective body. In addition, the ESG Committee is responsible for strategic decisions, environmental and climate risk management, and the development of transition plans in the medium and long term; the ESGC also sets and evaluates key performance indicators (KPIs) in the areas of human resources and governance. The Chairman and members of the ESGC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2024, the composition of the ESGC was as follows:

Name	*Position of the member*
Tóth Petr, Ing.	Chairman of the ESGC, Head of Non-Financial Risk Management
Hejduk Tomáš, Ing.	Member of the ESGC, Director of Credit Risk Management
Janík Tomáš, Ing.	Member of the ESGC, Director of the Operations Division SR
Kovács Jozef, Ing.	Member of the ESGC, Director of Large Corporates
Kubeš Michal, Ing.	Member of the ESGC, Member of the Board of Directors
Macálka Vladimír, Mgr.	Member of the ESGC, Director of Compliance
Míšek Radoslav, Ing., Ph.D.	Member of the ESGC, Director of Risk Management
Rokos Ladislav	Member of the ESGC, Director of Operations of the Czech Republic
Vinšová Eva, MBA	Member of the ESGC, HR Director of J&T SERVICES ČR, a.s.
Vodička Petr, Ing.	Member of the ESGC, Member of the Board of Directors

ESGC usually meets four times a year. The quorum of ESGC shall be at least a majority of its members present, and it shall act by a majority of all its members. Between meetings, the ESGC may act or decide by per rollam vote. The meetings are convened by invitation sent via email by the ESGC Secretary who also drafts relevant agenda and collects inputs. The proposal for the agenda shall be submitted to the ESGC Secretary by the individual members of the Committee preparing the agenda. Department heads and other Bank employees are entitled to submit materials to the ESGC agenda after prior approval by an ESGC member.

2.5 Principles of Remuneration

The Bank applies the remuneration policy in accordance with Decree No. 163/2014 Coll., on the activities of banks, credit unions and securities dealers (the "Decree"), Directive 2013/36/EU (the "Directive") and Commission Delegated Regulation (EU) 2021/923 of25 March 2021 supplementing Directive 2013/36/EU of the European Parliament and of the Council.

The key principles of the remuneration policy, as set out in the Employee Remuneration Policy, are transparency and predictability, compliance with regulatory requirements, fairness and alignment with shareholders' interests. Specific remuneration policies and procedures are applied in a manner commensurate with the degree of influence of individual selected persons on the Bank's overall risk profile and on selected employees in control positions. The remuneration principles are reviewed once a year and submitted to the General Meeting for approval. The Bank's internal audit regularly evaluates the remuneration policy on an annual basis and presents the results of the evaluation to the Remuneration Committee. The evaluation period is a calendar year and the frequency of evaluation of individual employees is generally twice a year, in November and April.

Remuneration and performance evaluation

Regular annual evaluations are an integral part of communication with employees. The evaluation includes an appraisal interview, where targets are assessed, two-way feedback is provided, and this is complemented by plans for further staff development, potential succession and talent development. For managerial positions, 360-degree feedback is used.

Evaluation and remuneration are guided by basic principles such as mutual respect and fairness, where equal work and equal performance are rewarded equally. Remuneration is not influenced by age or gender, but is transparently linked directly to the performance, experience and commitment of employees. Equal treatment is a priority for the Bank in the years to come.

Remuneration structure

a) fixed remuneration - basic salary

The amount of the fixed part of the employee's remuneration is determined on the basis of key skills, professional experience, the employee's job description and market comparisons with the salaries of other entities in the financial and banking market in the Czech Republic. The remuneration policy for all employees is gender neutral, i.e. employees, regardless of their gender, are remunerated equally for the same work.

b) variable remuneration

The employee is not contractually entitled to the payment of variable remuneration. The variable component of remuneration is linked to the achievement of company-wide objectives (company bonus), to the achievement of individual objectives (personal bonus) and, to a limited extent, to the contribution to the achievement of the objectives of the department to which the employee is assigned (department bonus). Foreach position, the distribution of the share of company, department and personal bonuses in the total budget for this type of remuneration is determined. The total budget for this type of remuneration is set as a multiple of the monthly salaries for each position. Rewards are set to be gender neutral, i.e. per position, regardless of their gender. The salary multiplier for each position is set by the Bank's statutory body for each calendar year and is 15-100% of the fixed part of the remuneration. The criteria evaluated include, in particular, qualitative and quantitative performance evaluation, implementation of the Bank's performance strategy, risk management and work development indicators. The combination of the different levels of criteria leads to a limited or full non-vesting of the variable remuneration component in the event of failure to meet the targets set (including targets related to the level of risk to which the Bank is exposed). The Bank does not use the clawback option unless it is allowed in a specific case by the Czech legislation in force in the field of labour law. Cases of employees who are incentivised to receive variable remuneration in excess of 100% of the fixed salary paid for the period under review will be approved by the General Meeting and notified in advance to the CNB, which will also be notified of the number of employees who have actually achieved the higher remuneration, in accordance with the requirements of the Decree. The variable part of the remuneration shall not exceed 200% of the fixed salary paid during the evaluation period.

The amount and method of payment of the variable remuneration shall be determined in accordance with the application of the following rules:

1. “Bonus pool”

The calculation of the Bonus Pool is based on the sum of each employee’s target float, taking into account the ability of the Bank as a whole to maintain a sound and strong capital base, and is adjusted based on the estimated level of achievement of targets at the Bank and individual division and department levels on an ongoing basis.

2. “Corporate goals”

Performance targets are set annually and are closely linked to the Bank’s strategic plan. The Remuneration Committee annually approves their fulfilment on the basis of audited data and proposes the remuneration for the evaluation period. Corporate objectives represent projected profit levels (weighted at 35%), regulatory and strategic objectives (weighted at 30%) and risk factors (weighted at 35%). Corporate objectives are weighted for individual employees to determine the amount of total variable remuneration between 25% and 70% depending on their functional and organisational position within the Bank.

3. “Department goals and personal goals”

Targets are set as proposed by line managers for each calendar year. Goals can be individual tasks, projects, activities or any other goals or behaviours. These objectives are both quantitative and qualitative and are set according to the priorities of the division for which the manager is responsible. Department and personal objectives also include fulfilling the obligation to comply with prudent risk management rules within the Bank’s accepted risk level and to act in accordance with the Bank’s strategy, objectives, values and long-term interests.

4. “K. O. criteria”

The bank sets the conditions for the award of the company bonus and the payment of the variable deferred remuneration. In the event that one or more of the following criteria are not met, the company portion of the bonus will not vest and payment of the variable deferred portion of the bonus will be delayed:

- the amount of net assets (excluding the effect of the increase in equity by the company’s shareholders, dividends and extraordinary items) must not decrease year-on-year,
- operating profit, after taking account of exceptional items, must not fall by more than 15 % compared to the plan,
- individual J&T BANKA, a.s.'s ROE must be at least 200 bps above the annual reference rate applicable at the beginning of the accounting period (12M PRIBOR),
- J&T BANKA, a.s. is not in the mode of launching a recovery plan.

The variable remuneration component awarded in previous years is not paid if its payment would impair the Bank’s ability to maintain a sound and strong capital base.

Regulatory principles - persons with influence on the institution’s risk profile (Risk Takers)

The group of employees includes persons who have an influence on the risk profile of the Bank in accordance with the requirements of European legislation and Czech legislation. As part of the Bank’s risk management strategy, risk appetite statement and ICAAP, the Bank has identified the key risk categories and assessed the various authorities and business units in the risk analysis in terms of their ability (or power) to influence exposure to each of the risk categories above. The result is a group of individuals who have a significant impact on the Bank’s risk profile.

People falling into the Risk Takers group are identified based on qualitative and quantitative indicators. The analysis for the selection of persons is prepared by the HR Department and submitted to the Remuneration Committee, approved by the Management Board and the Supervisory Board. The analysis for selection is carried out regularly once a year and is also adjusted during the year in the event of significant personnel changes. The analysis is subject to internal audit review once a year.

In 2024, the following were identified as Risk Takers:

- members of the Bank’s Board of Directors and Supervisory Board,
- statutory bodies of the companies in the JTFG parent company group,
- key employees (Directors of the Bank’s departments: Operations CR, SR Section, Germany Branch, Risk Management, Legal, Financial, Financial Markets, Credit Operations, Information Systems, HR),

- senior staff in control positions,
- members of select committees.

Remuneration of members of the Board of Directors

The terms and conditions governing remuneration for members of the Board of Directors are set out in the performance and employment contracts. The remuneration of the members of the Board of Directors consists of a fixed and a variable component, with the fixed component being paid on a monthly basis and the variable component being paid in the form of annual bonuses.

The fixed component is determined on the basis of the professional experience, expertise, etc. and responsibilities of each member, reflecting the market situation in terms of remuneration for the position.

The variable component is a non-claimable part that is paid on the basis of an evaluation of the established KPIs.

The principles of remuneration of members of the Board of Directors are approved by the Supervisory Board and the shareholders at the General Meeting on the proposal of the Remuneration Committee, provided that the variable remuneration component does not normally exceed 100% of the fixed remuneration component. The amount of variable remuneration is proposed for each calendar year by the Remuneration Committee, which then evaluates the achievement of the targets and proposes the amount of variable remuneration to be awarded for the period to the Supervisory Board and the General Meeting.

The variable portion of the bonus is subject to the rules for deferred bonuses.

Rules for determining variable remuneration for selected groups of employees

1. Employees with a significant impact on the Bank’s overall risk profile (qualitative)

For these employees, the payment of variable remuneration is deferred provided that they meet the condition of remuneration in excess of EUR 50 thousand and over 1/3 of annual income. The variable remuneration component is split into halves, which are paid in cash and by issuing a non-cash instrument. The cash portion is paid such that 60% of the remuneration is paid immediately upon completion of the employee’s evaluation process and the award of remuneration, with half paid in a non-monetary instrument. Payment of the other 40% is deferred over the following five years in the ratio 8% - 8% - 8% - 8% - 8%, and the Bank has the right not to pay this part for objective reasons. The release of the non-monetary part is deferred by one year and is vested in subsequent years on a 0%-8%-8%-8%-8%-8% basis.

2. Employees with a high and very high remuneration

These employees have an impact on the Bank’s overall risk profile from a quantitative perspective. For these employees, the payment of variable remuneration is deferred provided they meet any of the following conditions:

- in the previous financial year - total remuneration of EUR 750,000,
- more than 1,000 employees belong to the 0.3% of employees who received the highest total remuneration in the previous financial year,
- granted a total remuneration of EUR 1,000,000 for the previous financial year,
- the total remuneration amounts to EUR 500,000 and at least the average remuneration of the members of the management body and senior management.

The remuneration is paid as follows: 60% of the remuneration is paid immediately upon completion of the employee’s evaluation process and the award, half is paid in a non-monetary instrument. The payment of the other 40% is deferred over the following five years in the ratio 8% - 8% - 8% - 8% - 8%, and always half in a non-monetary instrument, and the Bank has the right not to pay this part for objective reasons.

The amount of very high remuneration is set each year by the company’s Board of Directors. Employees who exceed the amount shall have their compensation delayed as follows: 40% of the remuneration is paid immediately upon completion of the employee’s evaluation process and the award, half is paid in a non-monetary instrument. The payment of the other 60% is deferred over the following five years in the ratio 12% - 12% - 12% -12% -12%, and always half in a non-monetary instrument, and the Bank has the right not to pay this part for objective reasons.

3. Staff in internal control positions

Employees in internal control positions are not evaluated on the basis of the performance of the units they control, but only on the basis of the objectives set for the control function. The remuneration policy for employees in the Risk Management position, the Internal Audit position and the Compliance and AML position is under the direct supervision of the Remuneration Committee and the Supervisory Board.

Non-monetary instrument

The Bank does not hold any shares or other securities representing an equity instrument in the Bank. It has therefore created a synthetic instrument, the perpetual investment certificate, the value of which is based on the adjusted equity value, thus bringing the characteristics of this instrument closer to those required for a non-monetary instrument. The certificate is issued/assigned in stages in accordance with the above rules for deferring the variable remuneration and is redeemable on the anniversary of the issue.

Remuneration of staff with management authority

The remuneration of staff with management authority for 2024 totalled EUR 170.1 million (2023: CZK 161.1 million, which was divided among 13 persons (2023: 14), members of the Board of Directors and executives and 9 persons (2023: 6) on the Supervisory Board. For 2024, the members of the Board of Directors received a salary remuneration of CZK 93.9 million and CZK 1.9 million (2023: CZK 96.3 million and CZK 2.9 million) from the parent company by virtue of the performance of their duties. Members of the Supervisory Board received a salary remuneration of CZK 11.3 million (2023: CZK 6.7 million). The other persons with management authority received cash income from the parent company from salary bonuses amounting to CZK 62.4 million (2023: CZK 55 million). The members of the Supervisory Board also received remuneration of CZK 0.6 million in respect of the performance of their duties (2023: CZK 0.2 million). For the year ended 31 December 2024, the Bank did not pay any remuneration to other persons with managerial authority by virtue of their position. All remuneration is inclusive of health and social security contributions. In 2024, in one case, remuneration higher than EUR 1 million was paid. Neither the Bank nor its subsidiaries provide contributions to supplementary pension schemes or other similar benefits. The Bank declares that members of the administrative, management, supervisory bodies of the Bank and its subsidiaries do not have special benefits associated with the termination of their activities.

2.6 Dividend Policy of the Bank

The Bank has not approved any specific dividend policy. The payment of dividends, if any, is subject to an assessment for each financial year, both in terms of the Bank's capabilities and needs and in terms of the Bank's long-term business objectives. In assessing the payment of dividends, the objectives of ensuring a sufficient level of capital adequacy and other regulatory requirements, as well as the interests of shareholders, are also taken into account. The allocation of the profit for 2024 will be approved at the General Meeting, and based on the proposal of the Bank's Board of Directors. The Bank's management anticipates that an appropriate portion of the 2024 profit will be transferred to a special purpose fund for payment of the proceeds of the subordinated income certificates, which are part of the Bank's equity, and the remaining portion will be used subject to the final decision and approval of the General Meeting.

The Bank does not provide any employee incentive scheme involving the option to buy own shares, or remuneration in the form of equity options.

2.7 Significant Court Proceedings

As at the date of the Consolidated Annual Financial Report, there are no legal or arbitration proceedings pending which have had or may have a material effect on the Bank's financial position or profitability in future years. The Bank currently expects that it may be served with a counterclaim in respect of the Bank's credit exposure abroad. Due to a possible liability arising from such potential dispute, the Bank has created a provision in accordance with IAS 37.

2.8 Significant Contracts

The Bank's significant transactions in 2024 are set out in the notes to the financial statements. Contracts concluded between members of the Group are disclosed in a separate section of the Consolidated Annual Financial Report, the "Report on Relationships between Related Parties".

During the financial year, neither the Bank nor any other member of the Bank Group entered into any contracts outside the ordinary course of business that could be characterised as significant. No member of the Group has entered into any contract which contains any provision under which any member of the Group has any obligation or claim outside the ordinary course of business which is significant to the Group.

The Bank declares that it is not aware of any conflict of interest between the duties of persons on the Board of Directors or the Supervisory Board in relation to the Bank and their private interests and other duties.

3 CONSOLIDATED SUSTAINABILITY REPORT

Contents

General disclosures

ESRS 2: General disclosures

BP-1: General basis for preparation of the sustainability statements

The Consolidated Sustainability Report has been prepared for the J&T BANKA Group (i.e. on a consolidated basis) and takes into account J&T BANKA, a.s. itself and its two branches as the consolidating entity (hereinafter referred to as the Bank) as well as all its subsidiaries (collectively referred to together with the Bank as the Group). The scope of consolidation of non-financial data is the same as for the financial statements. Consolidated non-financial data (including quantitative data) therefore include the Bank and its controlled subsidiaries.

For the fiscal year 2024, the Group has a legal obligation to provide non-financial information in accordance with the Accounting Act (Act No. 563/1991 Coll., as amended) and Directive 2013/34/EU, as amended (including EU Directive 2022/2464, the CSRD). The Consolidated Sustainability Report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), i.e. EU Regulation 2023/2772. The year 2024 is the first reporting period for which the accompanying report is published.

Prior to publication, this report has been approved by the Bank's Board of Directors and Supervisory Board, which confirmed that this report complies with the applicable regulations.

No Group entities are required to prepare individual ESRS sustainability reports and therefore do not benefit from the exemption for individual sustainability reporting.

The ESRS sustainability statement applies to own operations and the upstream and/or downstream value chain of the Group. Further details on the value chain are provided in other sections of this report.

The Group has not used the option to omit specific information related to intellectual property, know-how, or the results of innovation (as stated in ESRS 1, 7.7 Classified and sensitive information and information on intellectual property, know-how, or results of innovation).

The exemption from disclosure of upcoming developments or matters under discussion has not been used.

BP-2: Disclosures in relation to specific circumstances

Time horizons

Generally, material impacts, risks and opportunities are assessed in the short-term, medium-term, and long-term horizon. Within the analysis, the Group followed the time horizons set out in ESRS 1, where:

- **short-term:** the following 12 months;
- **medium-term:** 1 to 5 years; and
- **long-term:** more than 5 years.

Where alternative time horizons have been used, these changes have been described in the relevant disclosures and the reasons for their use have been clearly stated in the report.

Estimates of metrics in the value chain and sources of estimation uncertainty

The statement does not contain any metrics with data related to the upstream or downstream value chain, as permitted by the transitional provision, except for emissions calculated in accordance with the approved methodology. More detailed information on the estimates is provided under the disclosure requirements for the calculation of GHG emissions in the relevant section.

Sources of estimation and outcome uncertainty

Based on the disclosure of sources of estimation and outcome uncertainty as required by ESRS 1, Section 7.2, sources of estimation and outcome uncertainty in the value chain include specifically:

1. **GHG Emissions – Scope 3:** Where information and direct data on Scope 3 GHG emissions were not available directly from the counterparty, the estimation of Scope 3 emissions used e.g. data on purchased goods expenditure, investment volumes and emission factor data from reputable external databases in accordance with the GHG Protocol. These estimates may differ from the actual greenhouse gas emissions produced by the counterparties.

2. **GHG emissions – Category 15:** GHG emissions associated with the Bank's and Group's portfolio of loans and investments have been estimated based either on information provided directly by the customers or from financial information obtained from public sources. To determine the relevant emission factors, the customers' activities were mapped to the relevant NACE codes and subcodes. The Group acknowledges that the provided information is not complete and the statement may contain inaccurate data and estimates based on limited and imperfect information.

The Group will make every effort in future periods to provide reliable means of obtaining this information. The statement does not include any monetary amounts, as permitted under the transitional provision, which could be subject to a high degree of measurement uncertainty. A certain degree of uncertainty may also apply to forward-looking statements that are based on current expectations and assumptions. Actual results may subsequently differ significantly due to a number of factors, including unpredictable market developments, regulatory or technological changes, operational risks or geopolitical events and natural disasters. Given these uncertainties, the projections presented should be viewed with caution.

Changes in preparation or presentation of sustainability information

There have been no changes in the preparation or presentation of sustainability information and no reporting errors as this is the first report issued in accordance with ESRS standards, where we do not disclose comparative periods except for the information under Article 8 of EU Regulation 2020/852 (or EU Regulation 2021/2178).

Information arising from other regulation

No information arising from other regulations or generally accepted sustainability standards outside the ESRS standards has been included.

Incorporation by reference

No information has been incorporated by reference in this sustainability report.

GOV-1: The role of the administrative, management and supervisory bodies

Composition of the administrative, management and supervisory bodies of the Group

The Group manages and monitors sustainability topics at four separate organisational levels: the Supervisory Board, the Board of Directors, the ESG Manager and the ESG Committee.

Composition of the Board of Directors and Supervisory Board

The Supervisory Board and the Board of Directors are the governing bodies of the Group companies, each with different roles and responsibilities.

- The Supervisory Board consists of nine non-executive members and oversees the performance of the Board of Directors and the company's activities.
    - **Jozef Tkáč** – Chairman of the Supervisory Board
    - **Ivan Jakabovič** – Vice-Chairman of the Supervisory Board
    - **Dušan Palcr** – Member of the Supervisory Board
    - **Jozef Šepetka** – Member of the Supervisory Board
    - **Jozef Kollár** – Member of the Supervisory Board
    - **Marc Derydt** – Member of the Supervisory Board
    - **Jitka Šustová** – Member of the Supervisory Board elected by employees
    - **Jaroslava Sragner** – Member of the Supervisory Board elected by employees
    - **Radoslav Míšek** – Member of the Supervisory Board elected by employees
- The Board of Directors consists of six executive members; it is responsible for the business management of the company and decides on all matters not reserved to the General Meeting and the Supervisory Board.
    - **Štěpán Ašer** – CEO and Chairman of the Board of Directors
    - **Igor Kováč** – Director of Risk Management and Active Business Administration and Member of the Board of Directors
    - **Jan Kotek** – Director of Credit Operations and Member of the Board of Directors
    - **Michal Kubeš** – Chief Financial Officer and Member of the Board of Directors
    - **Petr Vodička** – Director of Financial Markets and Member of the Board of Directors
    - **Anna Macaláková** – Bratislava Branch Director and Member of the Board of Directors

This structure ensures a balanced approach to governance that combines independent oversight with effective executive management.

The percentage of independent board members is 100%. Independence, for the purposes of this reporting , means the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making.

Employee representation on the Supervisory Board

The inclusive governance within the Group is also reflected in the involvement of employee representatives on the Supervisory Board. This ensures that the views and interests of employees are taken into account in the strategic decision-making process. Employee representatives are elected through a transparent and democratic process and play an important role in providing information on the operational realities of employees.

Experience in financial services and ESG

The Supervisory Board and Board of Directors have extensive experience in financial services and business operations in the countries where the Group operates (Czech Republic, Slovakia, Germany and Croatia). The members of the Supervisory Board have extensive experience in banking, finance and risk management, ensuring proper oversight and strategic guidance. Similarly, the Board of Directors consists of experienced executives with deep expertise in financial operations, basic knowledge of sustainability, and commitment to providing the Group's customers with ordinary financial products.

The management employs internal and external sustainability experts to ensure effective management of sustainability issues, who help interpret material impacts, risks and opportunities and provide additional information on how to manage these.

Diversity on the Supervisory Board and the Board of Directors

The ratio of women to the total number of Supervisory Board and Board of Directors members is 23% (number of women to the number of men).

Role of the administrative, management and supervisory bodies of the Group in terms of sustainability

1. Supervisory Board

The Supervisory Board plays a key role in overseeing management and strategic direction; the body ensures that the organisation meets its commitments to sustainability and regulatory compliance. The Supervisory Board reviews the overall sustainability strategy, including policies on environmental, social and governance (ESG) issues. It also monitors the implementation of these strategies and ensures that they are in line with the institution's long-term goals and stakeholder expectations.

2. Board of Directors

The Board of Directors of the Bank is responsible for sustainability compliance and managing sustainability in terms of customer needs and strategic direction. It is entrusted with executive management and is responsible for making key operational decisions. The body thus ensures that sustainability aspects are integrated into day-to-day operations and strategic initiatives. The Board of Directors works closely with the ESG Manager and ESG Committee on implementing and monitoring sustainability policies and procedures. It is responsible for implementing the sustainability strategy and reporting progress to the Supervisory Board.

3. ESG Manager

The ESG Manager plays a key role in managing the Group's ESG impacts, risks and opportunities; the position is also responsible for developing and overseeing the implementation of the Group's ESG risk management framework. The ESG Manager ensures the identification, assessment and integration of the ESG risks into overall risk management processes. This role also involves coordination with various departments to ensure that ESG considerations are integrated into all aspects of the Group's operations and decision-making processes. The ESG Manager is assisted by a team that comprises members with specialized ESG expertise.

4. ESG Committee

The Group has established an ESG Committee that addresses ESG topics and reports to the Board of Directors. It focuses on managing the Group's sustainability agenda, oversees the management of significant impacts, risks and opportunities, monitors the implementation of sustainability strategy and ensures it aligns with the institution's long-term objectives and stakeholder expectations. The Committee, which consists of representatives from various departments (e.g., Board Member, Compliance Director, HR Director, Risk Management Director, etc.), is responsible for developing and recommending ESG policies and initiatives; it monitors the implementation of these policies and evaluates their effectiveness. The ESG Committee also plays a key role in stakeholder engagement by ensuring that the Group's sustainability efforts are transparently communicated and that stakeholder feedback is incorporated into the ESG strategy of the Group. The role of the ESG Committee is to confirm potential targets for impacts, risks and opportunities, which are then discussed and approved/administered by the Board of Directors that will also monitor the achievement of these objectives in the future.

Role of the administrative, management and supervisory bodies of the Group in terms of business conduct

The Group manages policies and strategies relating to business conduct, e.g. eliminating corruption or protecting whistle-blowers (in particular through up-to-date set of regulations and trainings). Specific employees are then responsible for creating and updating the internal regulations assigned to them, i.e. for creating and updating the company's procedures so that they are in line with the strategies and policies set by the Board of Directors, or in compliance with the law (draft internal regulations / amendments to internal regulations are subsequently submitted to the Board of Directors for approval). The Compliance Department plays a key role in setting up Group processes for ethical compliance, whistleblower protection, conflict of interest management and anti-corruption and anti-bribery policies.

The Board of Directors and Supervisory Board establish committees for collective assessment and discussion of certain fundamental and professional matters. From the perspective of the Group's ethical conduct, the activities of the Remuneration Committee are important, as it reviews and evaluates employee remuneration principles and proposes improvement measures where appropriate. At the level of the Group's parent company (J&T FINANCE GROUP SE), a committee has been established whose main objective is to assess the suitability of proposed and appointed members of management bodies of Group companies and the suitability of persons holding key functions.

Specific procedures in the Group and other companies are subject to ongoing independent monitoring by the Compliance Department and the Internal Audit and Control Department, which regularly report their findings to the Board of Directors, Supervisory Board and Audit Committee.

Expertise of the administrative, management and supervisory bodies of the Group in terms of business conduct

At the level of the Group's parent company (J&T FINANCE GROUP SE), a four-member Suitability Assessment Committee has been established as an advisory body to the Supervisory Board. The committee is responsible for assessing the suitability of proposed and appointed members of the statutory body, the Supervisory Board as well as persons holding key functions in selected companies within the consolidation group.

The suitability of the candidates is assessed both in terms of their professional experience and their ability and willingness to act honestly, with integrity, and to devote sufficient time to performing their designated duties. When assessing the experience of a candidate, both theoretical experience gained through education and training, and practical experience gained in previous occupations are considered. A good reputation is crucial for members of administrative, management and supervisory bodies, being an essential prerequisite for appointment to office. As stipulated in the Group's internal regulation "Assessment of suitability of management body members and persons in key functions", the individual should have good knowledge and relevant experience also in the area of risks associated with money laundering and terrorist financing, with special attention paid to experience in regulatory framework and legal requirements.

The Compliance Department is involved in the process of ensuring the suitability of persons to provide appropriate support and complementary input when needed. The candidates for management and certain other functions in bodies of companies belonging to the prudential consolidation group are submitted to the Czech National Bank for an opinion regarding their suitability.

In assessing the suitability, the companies are guided by both the relevant national legal regulations and the General guidelines on the assessment of the suitability of members of the management body and key function holders of the European Banking Authority.

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

The supervisory and management bodies are provided information as follows:

- Information is provided to the Supervisory Board upon request, either for approval or for information. This information generally relates to strategic matters from an ESG perspective. The information provided may be based on material impacts, risks and opportunities, ESG

strategy or related issues and, in the future, progress towards objectives.
- The Board of Directors receives information at least quarterly based on topics and needs for discussion and approval. The information provided may be based on material impacts, risks and opportunities, ESG strategy or related issues and, in the future, progress towards objectives. One member of the Board of Directors is a member of the ESG Committee and is therefore informed of all topics discussed, including impacts, risks and opportunities. Committee members are informed about existing and planned measures, targets and metrics for specific impacts, risks and opportunities as needed. Information is thus shared within the ESG Committee and communicated to all committee members. The results and effectiveness of policies, measures, metrics and targets will be evaluated at the end of 2025, as they were set for the first time this year.
- The ESG Manager receives regular information from the ESG team, at least once a week.

During the year, the administrative, management and supervisory bodies primarily discussed the double materiality assessment. The administrative, management and supervisory bodies will consider impacts, risks and opportunities based on documents provided by the ESG team and based on joint discussion when overseeing the undertaking's strategy, its decision-making on material transactions and risk management process through potential discussion of ESG factors that affect strategy, transactions, etc.

GOV-3: Integration of sustainability-related performance in incentive schemes

Sustainability matters and greenhouse gas emission reduction targets are not included in the incentive system and remuneration policies for members of the Group's administrative, management and supervisory bodies.

GOV-4: Statement on due diligence

The following table provides information about the due diligence process that is included in the sustainability report, including how key aspects and steps of this process are applied.

Core elements of due diligence	*Page number*	*Sustainability report section*
Embedding due diligence in governance, strategy and business model	SBM-1, p. 12-14 SBM-3, p. 18-22	Governance (ESRS 2)
Engaging with affected stakeholders in all key steps of the due diligence	SBM-2, p. 15-16 SBM-2 to S1, p. 16-17 SBM-2 k S2, p. 17 SBM-2 k S3, p. 17 SBM-2 k S4, p. 17 G1-1- G1-4, p. 86-92	Environment Social Governance
Identifying and assessing adverse impacts	SBM-3, p. 18-23 IRO-1, p. 23-32 SBM-3 k E1, p. 63-64 SBM-3 to S1, p. 72 SBM-3 to S2, p. 79 SBM-3 to S3, p. 80 SBM-3 to S4, p. 81 G1-1- G1-4, p. 86-92	Environment Social Governance
Taking actions to address those adverse impacts	E1-3, p. 64-65 S1-4, p. 75 S4-4, p. 84 G1-1- G1-4, p. 86-92	Environment Social Governance
Tracking the effectiveness of these efforts and communicating	E1-4, p. 65 S1-5, p. 75 S4-5, p. 85 G1-1- G1-4, p. 86-92	Environment Social Governance

GOV-5: Risk management and internal controls over sustainability reporting

Scope and characteristics of the risk management process

This section describes the scope, main features and components of risk management processes and internal control systems in relation to sustainability reporting.

Risk management in terms of sustainability reporting is carried out across the Group and is organized as follows:

- Sustainability reporting and sustainability matters in the Group are managed by a central ESG team that coordinates activities and reporting across the Group. This team reports directly to the Board of Directors or Supervisory Board on developments and activities when needed.
- Sustainability information is in most cases collected by various teams within the Group and reported to the central ESG team. The teams that generally deal with ESG matters are the central ESG Team, Economic Department, Risk Management Department, Compliance, Legal, Human Resources, Financial Analysis Department, Reporting Department, and business teams and managers of individual parts of the Group.
- Control systems have been implemented throughout the organization (at least 4-eyes control, internal audit and data validation by the ESG team) to ensure identification and mitigation of risks for sustainability reporting. Sustainability reporting processes and controls are continuously monitored and optimized as needed.
- The Group ensures that relevant employees are informed of all new sustainability reporting regulations affecting the Group. The Compliance Department is responsible for monitoring regulations and cooperates with the ESG team on a weekly basis.

Risk assessment approach and prioritization

This section describes the risk assessment approach used, including the methodology for prioritizing risks in relation to sustainability reporting.

Risks are assessed in terms of errors and omissions that could occur, or in terms of process complexity (whether manual or automated, and the level of controls in place). Subsequently, the risks are assessed in terms of magnitude and likelihood.

Main risks identified and mitigation strategies

This section contains a detailed description of the main risks identified and their mitigation strategies including related control mechanisms.

<table>
<tr><th>Main risks identified</th><th>Potential error</th><th>Mitigation strategies</th><th>Internal controls</th></tr>
<tr><td>Completeness of data</td><td>Full information will not be disclosed</td><td rowspan="2">Collaboration of the central ESG team on sustainability report data reporting with individuals from other departments involved</td><td rowspan="2">The central ESG team and responsible persons from other departments review the data. The control is conducted through a discussion between the responsible person and a member of the ESG team, during which the data is reviewed and revised.</td></tr>
<tr><td>Accuracy of data collected, possible errors associated with estimates</td><td>Accurate information will not be disclosed</td></tr>
<tr><td>Lack of sustainability-related information on credit clients and investments to help assess impacts and risks</td><td>Full information on which decisions are based as what to include in the sustainability report will not be available</td><td>Use of external data from reputable sources and internal information, identification of data gaps</td><td>The central ESG team and responsible persons from other departments review the available data and record suggestions for improvement. The control is conducted through a discussion between the responsible person and a member of the ESG team, during which the data is reviewed and revised.</td></tr>
</table>

Integration of risk findings into internal functions and processes

This section describes how the Group integrates the findings of its risk assessment and internal controls as regards the sustainability reporting process into relevant internal functions and processes.

Risk assessment findings and internal control tests are regularly reviewed, and relevant business functions are involved in appropriate mitigation of any risks. Where processes need to be updated, these are updated and reviewed by the Risk Management Department, Internal Audit and, where appropriate, other support functions such as Compliance, Human Resources, Legal, etc. Material risks are considered for inclusion in the annual internal audit plan.

Regular reporting to management

The ESG team provides information on identified findings to the ESG Committee, where management is represented.

SBM-1: Strategy, business model and value chain

Strategy, business model and value chain

This section details the key elements of the Group's overall strategy that relate to or affect sustainability issues.

Strategy:

Holding a Czech universal banking license, the Group provides corporate and investment banking, private banking and asset management services primarily to Czech and Slovak clients. The Group strategically focuses on clients and services requiring a significant degree of individual care, financing of companies owned by major Czech and Slovak entrepreneurs, business activities and projects of private banking clients, acquisitions and corporate restructuring.

The Group's main competitive advantage lies in its ability to provide tailored solutions with emphasis on flexibility and speed of execution. The Group, as one of the few players in the Czech and Slovak market, has its own capabilities to secure financing across the entire capital structure, including senior debt, subordinated or hybrid capital and equity. The Group's private banking clientele significantly strengthens its financial power, which increases its relevance for corporate and investment banking clients.

In January 2023, Moody's assigned the Bank a long-term deposit rating of Baa2 with a stable outlook.

Business model:

The principal activities and services provided by the Group include:

1. **Private banking services:** Asset management, protection and appreciation (including term and structured deposits, J&T mutual funds, client participations in private equity investments, asset management).
2. **Investment banking services:** Comprehensive services and advisory in securing debt financing (bonds, loan clubs, private placements, bill programmes), equity financing – IPO (Initial Public Offering), SPO (Secondary Public Offering), post-IPO advisory services, mergers and acquisitions advisory services.
3. **Corporate banking services:** Project financing, risk assessment, transaction structuring, financing, restructuring, refinancing and specialized financing. Provision of long-term and short-term financing, structured financing. Corporate finance services (project financing, valuation, restructuring).
4. **Financial market services:** Complete advisory services for trading and investing in financial markets, economic research and analysis, brokerage services, transaction security and settlement.
5. **Banking services:** Complex banking services focusing on private clients and specialized financing areas. The Group provides all these services within one unit, meaning it can prepare premium products for its customers according to their individual requirements and needs with emphasis on flexibility and speed of solution. It is able to go through the entire transaction process with its customers while offering a wide range of services. One of the Group's significant competitive advantages is its ability to combine provided services into a fully integrated whole, i.e. from transaction structuring, through financing and corporate advisory to asset management and valuation.

Value chain

The Group's value chain is complex and includes entities essential for its successful operation and ability to provide quality financial services. It consists of private clients for whom the Group designs long-term financial strategies, provides credit financing and manages their deposits and investments within its own portfolio. The Group focuses on demanding clients who require expertise, trust and individual approach. The value chain and portfolio also include domestic and foreign corporate clients, most commonly from real estate and development, energy and distribution, industrial production including automotive, finance, e-commerce or services and leisure sectors, to whom the Group provides various types of financing (e.g., acquisition, holding, project, real estate, bond and other) and financial advisory regarding growth, capital structure optimization, merger and acquisition opportunities and other strategic decisions.

The value chain of the Group also includes the Bank's internal team, which is key to achieving results and creating value for clients. The service-providing team consists of expert advisors and investment specialists, business analysts and relationship managers. Important roles are held by employees who increase operational efficiency and ensure effective management of internal financial operations, regulatory compliance and operational excellence.

Financial and capital markets are an integral part, especially stock exchanges that secure issuance and trading transactions. Regulatory bodies and government institutions, including ministries and central banks, oversee compliance with legislative requirements and influence financing and regulations, particularly for larger and publicly traded transactions.

The value chain consists of suppliers, particularly in IT, security, audit, legal and tax advisory, financial reporting (such as Bloomberg) and other technical services. Partners provide the Group with products and services crucial for ensuring efficiency and high service quality.

This value chain also considers sustainability report users, including regulatory bodies, potential investors, business partners and other stakeholders.

Publicly available information includes data on positive and negative climate-related impacts and risks pertaining to loans and investments.

Significant products and services offered

The Group is predominantly a banking group focused on corporate and investment banking, private banking and asset management. The main product and service categories are listed above in the business model section.

The Group is currently analyzing the development of specific "green financing" products for its clients.

Significant markets and customer segments served

The Group operates in the European Union, particularly in the Czech Republic and Slovakia; it is strengthening its position in Germany, where it has opened a branch of the Bank. In addition, it has a subsidiary in Croatia.

Number of employees by geographical area

Number of employees by country:

Country	*Head count as at 31/12/2024*
Czech Republic	700
Slovak Republic	247
Croatia	55
Germany	11
Total	1,013

Products and services prohibited in certain markets

None of the Group's products or services are prohibited in the markets in which the Group operates.

Total revenue

The Group's total revenue broken down by major segments and countries is presented in the notes to the consolidated financial statements in Note **5. Segment Information**. This disclosure is prepared on the basis of IFRS 8 Operating Segments.

There are no other significant industries according to ESRS beyond those listed in the notes to the consolidated financial statements in Note **5. Segment Information**.

The Group does not operate in the following sectors in terms of its own activities:

- fossil fuels;
- production of chemicals;
- controversial weapons; and
- cultivation and production of tobacco.

The sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas and relationships with stakeholders are not in place. An assessment of current significant products or services, and significant markets and customer groups, in relation to its sustainability-related goals has not taken place.

The elements of the undertaking's strategy that relate to or impact sustainability matters, including the main challenges ahead, critical solutions or projects that are to be put in place, when relevant for sustainability reporting.

Many companies will have to switch to a low-carbon business model whereas numerous clients of the Group operate in sectors susceptible to transition-related risks. The Group will consider adjusting certain parts of its strategy and activities in the future to ensure it responds to these changes.

SBM-2: Interests and views of stakeholders

Through stakeholder discussions, additional identification and verification of sustainability-related impacts, risks and opportunities takes place. The Group ensures that views and interests of affected stakeholders regarding sustainability-related impacts are regularly communicated during ESG Committee meetings.

Stakeholder group	*Dialogue engagement; Frequency*	*Form and extent of engagement*	*Dialogue purpose and output*
Supervisory Board	Yes As required, at least once a year	Discussion	Information and approval process
Management	Yes Quarterly	Meetings and discussions, reviews of information as specified in ESRS 2 GOV	Providing information, obtaining approvals, ensuring alignment with strategic direction
Employees	Yes Quarterly	Questionnaire and satisfaction survey, meetings	Gathering information on employee concerns and needs
Credit clients	Yes As appropriate	ESG survey	Customer needs and expectations
Companies in which the Group has invested	Yes As appropriate	ESG survey	Customer needs and expectations
Investment customers	Yes As appropriate	ESG survey	Customer needs and expectations
Regulator	Yes Often on key topics (regulatory changes, CNB requirements, etc.)	Meetings, reporting as required and other forms of communication	Understanding new regulations that may affect the Group
Competing banks	Yes Quarterly	CSRD working group of the commission on sustainable finance	Approach of other banks to CSRD

Understanding the interests and views of key stakeholders concerning the undertaking's strategy and business model, to the extent analyzed during the undertaking's due diligence and/or materiality assessment process

As part of the materiality assessment, information from due diligence processes was used to help identify and assess impacts, risks and opportunities. The assessment particularly used information from discussions and interactions with the following stakeholder groups:

- employees;
- Supervisory Board;
- management;
- customers for loans and investments (whether corporate, retail, for credit products, investment products or deposit products);
- companies in which the Group has invested;
- regulator; and
- competing banks.

Key stakeholders	Relationship to strategy and business model	Understanding the interests and views of key ESG stakeholders
Supervisory Board	Group governing body.	The Supervisory Board is keen to understand the Group's key ESG risks and impacts and to ensure appropriate governance of the implementation of ESG strategies.
Management	Bank management responsible for setting strategy and business model.	Management has interests and views relating to ESG issues in terms of how the Group can best serve its customers and provide appropriate financial products and services.
Employees	Employees are involved in the development of the Group's strategy and business model as well as in the implementation of its activities.	Staff expressed their interests and views on ESG issues that affect themselves and their jobs.
Credit clients	Credit clients are one of the key customer groups within the strategy and business model.	The Group's employees communicate and work closely with the customers of the Group to understand their requirements, which generally relate to financial products and services and sometimes ESG-related products and services.
Companies in which the Group has invested	Part of the strategy and business model is investing resources in companies that the Group believes have growth potential or can generate returns.	Most investments are made on the principle of independence, with the Group having no direct interaction with the management of the investee companies. Given that many companies are listed on stock exchanges, the Group obtains necessary information through access to publicly available information.
Investment customers	Investment advisory and investment management for customers is a key pillar of the strategy and business model.	The Group communicates with customers to whom it provides asset management and investment advisory services, and takes their views into account. Customers are generally interested in conventional financial products and ESG-related financial products.
Regulator	As a regulated entity, the regulatory authority is a key stakeholder in the Group's business, with whom communication is regularly maintained.	The Group assumes that the regulatory authority is primarily interested in ESG compliance.
Competing banks	The Group does not operate in isolation and considers both the actions and interests of competitors when determining its strategy and business model.	The Group's competitors have interests and views concerning a stable banking sector, provision of ESG-related financial products and ensuring continued compliance with ESG regulations.

How the administrative, management and supervisory bodies are informed about the views and interests of affected stakeholders with regard to the undertaking's sustainability-related impacts

The results of stakeholder discussions and engagement, as outlined above, are taken into account both in determining the Group's ongoing strategy and in the double materiality assessment. The administrative, management and supervisory bodies are informed about the views and interests of affected stakeholders with regard to the Group's sustainability-related impacts, as its representatives were involved in the double materiality assessment. The Group will consider whether to change its strategy in the future based on the results of the double materiality assessment and stakeholder engagement on sustainability topics.

SBM-2 to S1: Interests and views of stakeholders regarding the own workforce

The interests, views and rights of the Group's own workforce, including respect for their human rights, are an integral part of its strategy and business model. These interests and views of the workforce are obtained through eNPS (Employee Net Promoter Score) surveys (twice a year), which provide information about workforce satisfaction and engagement. Based on the results of these surveys, the Group develops and adapts its strategy. At the same time, it is important for us to enable new employees to adapt to the new environment as quickly as possible; therefore we have regular feedback sessions for new employees after 3 and 6 months.

SBM-2 to S2: Interests and views of value chain workers

Impacts on value chain workers are related to the business model of the Group, which finances businesses in the energy, construction, agriculture and education sectors. The Group has not yet considered the interests and views of these workers in the financed sectors, nor have these impacts been a source of information for adjusting the strategy and business model. Partners with high standards of working conditions and respect for human rights are selected in tender procedures. In financing, most exposures consist of companies in the EU that comply with applicable legislation.

SBM-2 to S3: Interests and views of affected communities

Impacts on affected communities are related to the Group's business model, as the Group provides financing to businesses that support education, housing construction and financial services. The impacts relate to communities affected by these financed businesses. The Group has not yet considered the interests and views of these communities, nor have these impacts been a source of information for adjusting the strategy and business model.

SBM-2 to S4: Interests and views of consumers

The Group considers consumer and end-user interests regarding data security and personal data protection impacts in its strategic planning and business model, as these directly relate to the Group's business model.

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

Brief description of material impacts, risks and opportunities arising from materiality assessment

Below is a list of positive and negative impacts, risks and opportunities, which is divided into three areas:

- Environment;
- Social; and
- Governance.

Material impacts on the Environment (E)

The following impacts arise from the Group's strategy and business model:

- GHG emissions (Scope 1 and 2 and most of Scope 3) are related to the Group's customer service activities;
- Scope 3 category 15 GHG emissions are related to the Group's lending and investment activities, which form a key pillar of its strategy and business model;
- Energy relates to the use of energy to power mainly office buildings and IT infrastructure that enable the Group to provide its services; and
- Other positive and negative impacts are derived from the Group's lending and investment activities, which are part of the value chain within the strategy and business model.

The Group participates in all impacts arising from its business activities.

Area	*Impact*	*Description*	*Time horizon*	*Own operations vs. value chain*
E1 GHG emissions Scope 1 and 2	Negative, Actual	The Group has a negative impact on the environment through greenhouse gas emissions (e.g. energy consumption from non-renewable sources).	Short- to long-term	Own operations
E1 GHG emissions Scope 3 (excluding loans and investments)	Negative, Actual	The Group negatively impacts the environment through other indirect GHG emissions in its value chain, such as emissions from business travel, employee commuting, waste disposal and the production of purchased goods and services.	Short- to long-term	Own operations and upstream and/or downstream value chain
E1 GHG emissions Scope 3 (loans and investments only)	Negative, Actual	Financed emissions The Group has a negative impact on the environment by investing in sectors with a high climate impact.	Short- to long-term	Downstream value chain (investments)
E1 Energy management	Negative, Actual	The Group consumes energy in its operations and thus contributes to the depletion of energy resources.	Short- to long-term	Own operations
E1 Financing of high climate impact sectors	Negative, Actual	Financing of industrial sectors that contribute to global warming.	Long-term	Downstream value chain (Loans and investments)
E1 Renewable energy financing	Positive, Actual	Financing of renewable energy generation and energy production projects.	Long-term	Downstream value chain (Loans and investments)
E4 Biodiversity and ecosystems	Negative Actual	The Group negatively affects biodiversity and ecosystems through financing and investments in real estate, construction and energy generation.	Short- to long-term	Downstream value chain
E5 Circular economy and waste	Negative Actual	The Group negatively affects the circular economy by financing sectors that produce waste, such as construction and energy generation.	Short- to long-term	Downstream value chain

Material climate risks in Environment (E)

Name	*Description*	*Time horizon*	*Own operations vs. value chain*
	Climate-related physical risks		
Heat stress Changing precipitation patterns and types (rain, hail, snow/ice) Increase in precipitation or hydrological variability – chronic Increase in precipitation or hydrological variability – chronic Heat wave Storms (including blizzards, dust, and sandstorms) Heavy precipitation (rain, hail, snow/ice) – increase – acute Heavy precipitation (rain, hail, snow/ice) – reduction – acute	The Group has made loans to several industries and invested in several industries that are susceptible to these risks. In terms of exposures, there is a risk of default on loans or impairment of investments.	Long-term	Value chain – Loans and investments
	Climate-related transition risks		
Sustainability expectations and reporting requirements	Actual risk related to increasing sustainability reporting requirements (ESRS, CRR etc.) that the Group will need to comply with, which will require investment and could lead to reputational risk if not properly managed.	Long-term	Own operations
Stricter climate regulation	The Group provides loans and invests in sectors that are susceptible to risks associated with greater regulation of their activities from a sustainability perspective, which could lead to higher operational and investment costs.	Long-term	Value chain – Loans and investments
Changes in technology	The Group provides loans and invests in sectors that will likely need to invest in new technologies as demand for fossil fuels decreases and demand for renewable energy increases.	Long-term	Value chain – Loans and investments
Changes in customer expectations	The Group provides loans and invests in sectors that are susceptible to risks associated with changing customer expectations and needs towards more sustainable products and services, which could lead to reduced revenues and increased investment costs in these sectors. For the Group, this would mean that clients will have more difficult access to capital and reduced ability to repay loans.	Long-term	Value chain – Loans and investments
Increased scrutiny from stakeholders and investors	The Group provides loans and invests in sectors that are subject to increased scrutiny from investors and stakeholders regarding ESG compliance and sustainable practices. If these standards are not adequately met, it may negatively affect clients' ESG ratings, which could lead to risks regarding access to capital or higher costs of obtaining it.	Long-term	Value chain – Loans and investments

Material opportunities in Environment (E)

Name	*Description*	*Time horizon*	*Own operations vs. value chain*
E1 Better use of energy and renewable energy	Improved energy management in the form of optimizing energy use through efficiency measures leading to reduced operational costs.	Short- to long-term	Own operations
E1 Sustainable financing	Opportunity related to providing financing to help companies fund their transition to a low-carbon economy.	Short- to long-term	Own operations
E1 Grants and incentives	Opportunity regarding obtaining grants and incentives for the Group in connection with investments in low-carbon technologies.	Short- to long-term	Own operations

Material impacts in Social (S)

The following impacts arise from the Group's strategy and business model:

- The impacts listed in S1 relate to impacts originating from the strategy and business model through employment of workers in the group;
- The impacts listed in S2, S3 and S4 are both positive and negative impacts resulting from financing companies through loans and investments, which is a key component of the strategy and business model.

The Group participates in all impacts arising from its business activities.

Name	*Impact*	*Description*	*Time horizon*	*Own operations vs. value chain*
S1 Gender equality and equal pay for work of equal value	Negative Potential	Unequal treatment and remuneration of women and men.	Short- to long-term	Own operations
S1 Measures against violence and harassment in the workplace	Negative Potential	Insufficient measures regarding violence, bullying or sexual harassment in the workplace.	Short- to long-term	Own operations
S1 Diversity	Negative Potential	Suppression of diversity in terms of gender, religion, ethnic origin, race and other types of diversity.	Short- to long-term	Own operations
S2 Employment and wages	Positive Actual	Supporting employment and subsequent payment of wages to workers for work performed through business financing.	Short- to long-term	Downstream value chain
S2 Health and safety	Negative Actual	The Group's financing and investment activities have a negative impact on health and safety of workers in energy and construction sectors.	Short- to long-term	Downstream value chain
S2 Casual work and wages	Negative Actual	Investments and loans in construction cause a negative impact as this sector experiences issues with casual work and low wages.	Short- to long-term	Downstream value chain
S3 Housing, education, financial services, energy and food in the context of local communities	Positive Actual	Availability of services such as housing, education, financial services, energy, food industry, through financing entities in these sectors.	Short- to long-term	Downstream value chain
S4 Privacy and protection of client data	Negative Potential	Insufficient measures for security and protection of customer personal data leading to financial harm to customers.	Short- to long-term	Downstream value chain

Material risks in Social (S)

Name	*Risk*	*Description*	*Time horizon*	*Own operations vs. value chain*
S4 Privacy and protection of client data	Negative Potential	Risk of legal action and loss of credibility of the Group with its customers due to inadequate measures for the security and protection of personal data.	Short- to long-term	Own operations

Material impacts in Governance (G)

The following impacts are based on the strategy and business model and occur through own business activities.

Name	*Impact*	*Description*	*Time horizon*	*Own operations vs. value chain*
G1 Corporate culture and ethics	Negative Potential	Poor company culture and ethics can have a negative impact on employees and business partners.	Short- to long-term	Own operations

Material risks Governance (G)

Name	*Risk*	*Description*	*Time horizon*	*Own operations vs. value chain*
G1 Corporate culture and ethics	Negative Potential	Poor corporate culture and ethics can lead to reduced trust from employees and customers, increased employee turnover, and deterioration of the company's reputation. From a management perspective, weak ethics can lead to poor decision-making, fraud, and legal issues, undermining the company's integrity and operational stability.	Short- to long-term	Own operations
G1 Whistleblowing / Whistleblower protection	Negative Potential	Reports submitted through a whistleblower protection system can lead to retaliatory actions, resulting in employee demotivation and loss of productivity. External stakeholders may also be affected.	Short- to long-term	Own operations and upstream and/or downstream value chain
G1 Political engagement and lobbying activities	Negative Potential	Engagement in opaque or unethical lobbying practices can lead to legal disputes and reduced company credibility.	Short- to long-term	Own operations
G1 Corruption and bribery	Negative Potential	Inadequate procedures to prevent corruption and bribery can lead to significant fines and legal sanctions, reduced trust from customers or investors, and long-term financial and operational instability.	Short- to long-term	Own operations
G1 Money laundering prevention (AML)	Negative Potential	Insufficient measures in money laundering prevention can lead to high fines and legal sanctions, thereby undermining customer and investor trust.	Short- to long-term	Own operations
G1 Cybersecurity	Negative Potential	Data breaches due to cyberattacks can have a significant impact on the Group's operations and reputation.	Short- to long-term	Own operations

Current and anticipated effects of material impacts, risks, and opportunities on the business model, value chain, strategy, and decision-making, and how the Group has responded or plans to respond to these impacts

The Group currently lacks sufficient accurate information to assess all possible effects of significant impacts, risks, and opportunities on its business model, strategy, value chain, and decision-making. In the coming years, the Group plans to further address this issue and take appropriate measures if necessary. However, based on the limited available information and the strong capital position the Group currently holds, it does not anticipate that current and anticipated significant impacts, risks, and opportunities will have a material effect on its own business model, strategy, value chain, and decision-making up to 2030.

Current financial impacts of significant risks and opportunities on financial position, financial performance, and cash flows

The Group has not recorded any financial impacts from significant risks and opportunities in the current accounting period.

Significant risks and opportunities for which there is a risk of a material adjustment to the carrying amounts of assets and liabilities reported in the financial statements in the next accounting period

The Group does not expect material adjustments to the carrying amount of assets and liabilities in the next accounting period arising from significant risks and opportunities.

Information on the resilience of the Group's strategy and business model to significant climate-related risks

The Group has assessed climate risks based on climate scenarios, as outlined in section E1.

Based on the available information on the Group's risk exposure and its strong capital position, the internal expert team concludes, in line with the internal analysis, that the Group's strategy and business model is resilient to significant impacts and risks in the short-term time horizon up to 2030. For the medium-term (up to 2040) and long-term (up to 2050) time horizons, the Group does not yet have sufficient accurate information to assess the effects of significant risks on its business model and strategy.

Specification of impacts, risks, and opportunities subject to ESRS disclosure requirements that are entity-specific

The following topics have been identified as specific to the Group (beyond the topics already included in the general ESRS standards, see above):

- Money laundering (AML); and
- Cybersecurity.

IRO-1: Description of the processes to identify and assess materiality of impacts, risks and opportunities

ESRS 1 and implementation documents from EFRAG (IG 1: DMA and IG 2: VC) were used for the double materiality assessment. The aim of the double materiality assessment is to identify significant impacts, risks, and opportunities (IRO) that the Group causes or is exposed to. IROs are mapped both in relation to the Group's own operations and within the value chain. A sustainability area is classified as significant if it meets the criteria of significant impact or exceeds the financial materiality threshold, or both.

Description of methodologies and assumptions used

The double materiality assessment process consists of four stages:

Stage 1: Understanding the context

An analysis and mapping of the Group's activities and relationships within the business model and value chain were conducted, along with dialogues with stakeholders, identification of relevant internal data and documents, and a benchmark analysis across the banking market. In addition, the credit and investment portfolios were mapped to identify potential positive or negative impacts and related risks of these portfolios on the environment or society.

Discussions were held with competent managers across the Group to document and assess the business model and value chain. A standardized documentation tool was used to document the findings.

Furthermore, a standardized methodology for conducting double materiality assessments and standardized approaches to evaluating impacts, risks, and opportunities were developed.

Stage 2: Identification of IROs

For the identification of IROs, the template in ESRS 1, Annex B, AR 16 containing sub-topics and sub-themes of ESG areas was used. Relevant negative and positive impacts were collected and evaluated to determine whether they are current or potential impacts. The analysis was supplemented by identifying risks and opportunities arising from identified impacts or dependencies. Identification was conducted for both the Group's own operations and the value chain area. The final list of IROs was supplemented with sector-specific topics and topics directly related to the operations of the Group. Given the Group's core business, impacts, risks, and opportunities were assessed primarily in terms of the Bank's credit portfolio and investments. At this stage, climate-related physical risks and transition risks were also considered. Possible positive and negative impacts of loans and investments were identified using global tools provided by the UNEP Finance Initiative. Subsequently, it was assessed whether risks and opportunities are related to the identified impacts, and possible dependencies that could lead to risks and opportunities were evaluated.

Stage 3: Assessment of IROs

The requirements set out in ESRS 1 and the non-binding guidelines IG1 and IG2, which focus on materiality assessment and value chain analysis, were adhered to.

The approach to assessing actual and potential positive and negative impacts, risks, and opportunities is outlined below in accordance with the requirements of ESRS 1.

Impact materiality

ESRS require the disclosure of information on the prioritization of negative impacts based on their relative severity and likelihood (see section 3.4 Materiality of Impacts – ESRS 1) and, in the case of positive impacts, based on their relative scale, scope, and likelihood. The severity of negative impacts is derived from their scale, scope, and irremediability.

The assessment of criteria is typically conducted based on a review of information gathered during the identification phase and discussions among knowledgeable individuals within the entity. It may happen that different material sustainability matters are assessed by different individuals, as they have the best skills to fulfill this role for the given matter.

Since the severity of an actual or potential negative impact is assessed from the perspective of affected persons or the environment, the entity should make reasonable efforts to gain sufficient understanding of how affected persons or the environment may be impacted. This information can be obtained directly from affected persons, if possible, or from proxy sources, depending on the circumstances. Within this materiality assessment, outputs from existing sustainability due diligence processes within the entity were used to understand the expectations and interests of affected stakeholders.

The assessment involved collecting and evaluating data, where available, and conducting interviews with competent and experienced managers within the Group to obtain internal information as well as stakeholder information.

Regarding the materiality of impacts, the following aspects were assessed:

- scale of the impact (what is the nature of the impact and how severe the impact is);
- scope of the impact (how widespread it is);
- irremediability of the impact (for negative impacts);
- likelihood of the impact occurring (for potential impacts);
- time horizon.

In cases where quantitative data were not available, qualitative assessments were conducted based on a scale system to help determine the extent to which individual IROs may be significant.

The assessment considered specific activities, business relationships, geographical areas, or other factors that pose an increased risk of adverse impacts. The Group's business is largely based in the Czech and Slovak Republics, with additional credit and investment exposures in other countries such as Germany and Croatia. The Group recognises that it can contribute to both positive and negative impacts on the environment and society through its lending and investment activities.

The impacts arise from the activities of the banking group or through the value chain, focusing primarily on loans provided and investments made. The double materiality assessment considered possible positive and negative impacts from both perspectives.

Consultations with affected stakeholders were conducted through our ongoing business relationships with suppliers, customers, and communities, as described in ESRS 1 as a sustainability due diligence process. Based on discussions with internal and external stakeholders, insights, interests, and expectations of affected stakeholders and users of sustainability reports were gathered from relevant individuals.

Financial materiality

The assessment of risks and opportunities is based on the following aspects:

- the magnitude of the financial impact of the risk/opportunity on the Group;
- likelihood of the risk or opportunity materializing; and
- time horizons.

In assessing risks and opportunities, quantitative approaches were used when data were available, or a qualitative approach and expert judgments of competent managers within the Group were used when data were not available. Similar to the materiality of impacts, a scale system (e.g., high – low) was used for the qualitative approach to better assess and document the analysis results. A standardised approach was used as a basis, with specific standardised definitions that were adapted as necessary according to the relevant risk or opportunity. The definitions are anchored in the internal manual for double materiality assessment.

The Group prioritizes sustainability-related risks compared to other risks through a newly established ESG Committee, which will discuss and manage responses to identified sustainability-related risks. The sustainability-related risks are managed and monitored within the Group by the Bank's Risk Management Department in cooperation with the ESG Committee. The Group does not prioritize ESG risks over other risks, as the Group is exposed to a wide range of risk that are both financial and non-financial in nature.

Stage 4: Prioritization of IROs – Determination of final material sustainability issues.

The Group considered individual IROs to determine whether, in the overall evaluation of the double materiality assessment results, the individual identified and assessed IROs are significant for reporting purposes using threshold values. Specific rules and guidelines were established to determine which IROs are significant for reporting purposes, as defined in the internal manual for double materiality assessment. At this stage, the assessment of individual IROs was also verified with stakeholders to ensure that all current information and opinions were considered.

Input parameters and assumptions used

The data used by the Group and the qualitative information collected during the materiality assessment often have significant estimation uncertainty.

In assessing physical and transition climate-related risks, estimates and assumptions regarding future scenarios related to physical risks and the development of greenhouse gas emissions, temperatures, and precipitation for physical risks had to be made. For transition risks, assumptions about future scenarios and actions by governments, stakeholders, customers, suppliers, and changes in technologies over time may differ from actual outcomes.

Description of the decision-making process and the related internal control procedures

Regarding the materiality assessment, a decision was made to identify and assess potential IROs by the central ESG team and relevant management members, with decisions made based on the need and appropriateness concerning the topic under discussion. The final inclusion or exclusion of IROs is discussed and agreed upon by the parties with the best available information on the subject.

Verification was conducted with internal stakeholders and in terms of the interests and expectations of affected stakeholders based on information obtained from business meetings and feedback. The result of the materiality assessment was reviewed and validated with the senior management of the Group.

The double materiality assessment was conducted for the first time for the Group in 2024, and now sustainability risk management is part of the Group's standard risk management approach. A new ESG Committee has been established to ensure that sustainability issues are included in the Group's standard risk management processes in the future.

The process of identifying, assessing, and managing opportunities is not yet fully integrated into the Group's management processes. The newly established ESG Committee is expected to take over this issue.

The input parameters it uses (for example, data sources, the scope of operations covered and the detail used in assumptions)

In the materiality assessment, data from both internal and external sources were utilized. Credit and investment portfolios were reviewed to better understand potential positive and negative impacts. External data sources on climate scenarios and transition risks were used to assess physical and transition climate-related risks. Supporting materials included scenarios from the Network for Greening the Financial System (NGFS) and outputs from Climate Analytics. TCFD guidelines were also considered for physical and transition risks.

The materiality assessment considered the Group's own operations and the value chain (i.e., primarily the supply chain and credit and investment portfolios).

Materiality assessment of climate change-related impacts, risks and opportunities for ESRS E1 Climate Change

The process of identifying and assessing significant risks and opportunities related to climate impacts was conducted in the manner described in the disclosed information of ESRS 2 regarding the double materiality process.

Assessment of GHG emissions

As part of the materiality assessment, GHG emissions were also considered, such as Scope 1 and 2 emissions for own operations and Scope 3 emissions with focus on loans and investments as the most significant Scope 3 emissions. GHG emissions are published in the section on GHG emissions of ESRS E1-6.

The Group reviewed its consolidation group in terms of GHG emissions in Scope 1, 2, and 3. Data was collected from individual companies and consolidated at the Group level. For reporting purposes, all relevant activities specified in the Greenhouse Gas Protocol were reviewed, and data was collected as necessary. Total greenhouse gas emissions were calculated and disclosed in section E1-6 of this report.

The Group has no significant investment plans that would cause a substantial increase in greenhouse gas emission levels.

Positive and negative impacts of loans and investments

As part of the double materiality assessment, positive and negative impacts of the Group's loans and investments were identified using the UNEP FI methodology and tools. Several of these impacts were climate-related.

Climate-related physical and transition risks

In the double materiality assessment process, the following areas were additionally considered:

- Climate-related physical risks in the Group's own operations.
- Climate-related physical risks in the value chain, primarily concerning loans and investments.
- Transition risks and opportunities for the Group's own operations.
- Transition risks and opportunities for the value chain, primarily loans and investments.

The standard double materiality assessment approach was followed as outlined above, with particular attention to the guidelines in ESRS E1 regarding physical risks and transition risks related to climate change. Information sources for this assessment included, inter alia, tables in AR 11 and AR 12.

Further information on these areas is provided below.

Climate-related physical risks

High-emission climate scenarios defined by NGFS, specifically the "Hot house world" and "Too little, too late" scenarios, were considered. Additionally, guidelines from ESRS E1 Application Requirement 11 were used, which relate to potential climate-related physical risks. These scenarios represent high-emission climate scenarios.

The likely impact of climate change on the key countries of the Group's business activities, namely the Czech Republic, was assessed, as well as the likely impacts of climate change on the main countries of the Group's credit and investment portfolio. The double materiality approach was followed in assessing the magnitude and likelihood.

The guidelines provided by ESRS E1 and its application requirements were reviewed, considering various potential climate-related physical risks. Discussions were held with relevant individuals within the Group to understand the extent to which individual assets or business activities may be affected by climate-related physical risks.

No significant climate-related physical risks were identified concerning the Group's own operations.

Regarding loans and investments, the same NGFS scenarios mentioned above were considered.

Short-, medium-, and long-term climate-related hazards were identified, and it was assessed whether assets (loans and investments) might be exposed to these hazards. Each of the physical risks identified in Application Requirement 11 was assessed concerning the credit and investment portfolio. The location and industry code (NACE) for each client of the Group (in the case of loans) or for each investment were identified, and the extent to which physical climate risks may affect loans and investments was considered. For this purpose, guidelines from Application Requirement 11 were also considered.

The time horizons of the analysis considered the period up to 2050. The risk assessment considered time horizons up to 2030, up to 2040 and up to 2050. These time horizons differ from the standard time horizons described in ESRS 1, as climate-related risks have a longer timeframe for realization.

The time horizons for climate-related risks are much longer than for useful lives of assets, strategic planning horizons, and capital allocation planning, except for properties held by the Group. These generally occur within the Group as follows:

- Average useful life of assets – own activities focused on real estate: 20–50 years.
- Average useful life of assets – loans: approximately 5 years.
- Strategic planning horizons: 5 years.
- Capital allocation planning: 1 year – 5 years.

Potential risks in these shorter horizons are thus covered by the climate risk analysis using a time horizon of up to 30 years, where the risk may be higher.

Key climate-related physical risks concerning the value chain (loans and investments) are shown above.

Transition risks and opportunities

Climate scenarios as defined by NGFS ("Hot house world" and "Orderly" – Net Zero 2050) were considered. Additionally, guidelines from ESRS E1 Application Requirement 12 on potential transition risks were used.

Guidelines provided by ESRS E1 and its application requirements were reviewed, considering various potential climate-related transition risks. Short-, medium-, and long-term transition events were identified, and it was examined whether assets and business activities might be exposed to these events.

The Group considered potential transition risks to new business and its operations. At the same time, the Group aimed to assess the extent to which assets and business activities might be exposed to identified transition events. The likelihood, scope, and duration of transition events were considered

The time horizons of the analysis considered the period up to 2050. The risk assessment considered short-term (up to 2030), medium-term (up to 2040) and long-term (up to 2050) time horizons. These time horizons differ from the standard time horizons described in ESRS 1, as climate-related risks have a longer timeframe for realization.

No assets and business activities were identified as incompatible with the transition to a climate-neutral economy or requiring significant effort to be compatible with this transition.

Conversely, risks and opportunities related to climate change that affect the Group's main activities were identified; these are described above.

Regarding loans and investments, NGFS scenarios (listed above) were considered. Subsequently, the Group identified sectors that are high producers of greenhouse gas emissions and considered the risks that may affect these sectors.

Transition events in the short-term, medium-term, and long-term horizons were identified, and it was examined whether loans and investments might be exposed to these events.

Potential transition risks to the Group's loans and investments were considered. The extent to which loans and investments might be exposed and sensitive to identified transition events was assessed, considering the likelihood, scope, and duration of these events.

The potential climate change-related risks concerning loans and investments are outlined above.

Use of climate-related scenario analysis

To identify short-term, medium-term, and long-term risks and opportunities related to climate and the transition to a new economy, scenario analysis was used for both the Group's own operations and in relation to the value chain, which primarily consists of the credit and investment portfolio.

The scenarios used were "Hot house world" and "Too little, too late" for physical risks and "Hot house world" and "Orderly – Net Zero 2050" for transition risks, from the NGFS, which are considered state-of-the-science. Available online tools were used to identify and consider potential risks and opportunities for the Group and the credit and investment portfolio.

The same time horizons mentioned above were used in the analysis.

The main factors considered in these scenarios differ for climate-related physical risks and transition-related risks. For physical risks, the main likely acute and chronic weather consequences for the countries where the Group and its clients/investments are located were taken into account. Information provided by the Climate Impact Explorer tool from Climate Analytics was used for the analyses; the tool provides projections of future climate impacts at different levels of warming and for several politically relevant greenhouse gas emission scenarios. Several climate or climate impact indicators can be selected. Climate Impact Explorer displays maps and charts showing projected changes for several levels of global warming and their progression over time according to these emission scenarios. The application was developed by Climate Analytics in collaboration with Flavio Gortana, the Potsdam Institute for Climate Impact Research, and ETH Zurich. Its development was supported by the ClimateWorks Foundation and Bloomberg Philanthropies in collaboration with the Network for Greening the Financial System, as well as the German Federal Ministry of Education and Research.

For transition risks, legal and political impacts, technology, market changes, and potential changes in investor and stakeholder expectations were considered. Additionally, based on information from the IMF Climate Change Dashboard, macroeconomic trends were incorporated into the analysis using the selection and visualization of key indicators from the Network for Greening the Financial System (NGFS) climate scenarios; it is curated by the IMF in collaboration with NGFS.

The analysis was based on nationwide location information, as sufficient data has not yet been collected to conduct a local geospatial analysis.

<table>
<tr><td>NGFS scenarios</td><td>NGFS scenarios for climate scenarios in accordance with the requirements of ESRS 2 IRO-1, as set out in ESRS E1, and with the relevant application requirements.

Climate transition risks:

Based on NGFS scenarios (Current Policies and Net Zero 2050), the source used was the IMF Climate Change Dashboard.
For transition risks to a new climate, two specific scenarios (Current Policies and Net Zero 2050) were assessed using three separate, well-known tools based on NGFS scenarios.
Transition pathways for NGFS scenarios were created using three established Integrated Assessment Models (IAM), specifically GCAM, MESSAGEix-GLOBIOM, and REMIND-MAgPIE. These models integrate macroeconomic systems, agriculture and land use, energy, water, and climate into a common numerical framework that allows for the analysis of complex and nonlinear dynamics within and between these components.

Climate-related physical risks:

Scenarios for individual key countries were provided by ClimateAnalytics, a global climate science and policy institute involved worldwide in advocating and supporting climate action consistent with the 1.5°C warming limit.
The assessed climate-related physical risks are those listed in the table in ESRS E1 AR 11 and included in the EU taxonomy, originating from TCFD (chronic and acute).
For the assessment of climate-related physical risks, the following NGFS scenarios were used – NGFS Current Policies and NGFS Fragmented World, as required by ESRS E1.

</td></tr>
</table>

<table>
<tr><td>Time horizons</td><td>The assessment of both physical and transition risks and opportunities relies on a longer time horizon than stated in ESRS 1 (and as such is disclosed in the ESRS sustainability statements), where we assess up to 2040 and 2050. Standard time horizons considered are short-term (up to 2030), medium-term (up to 2040) and long-term (up to 2050).
These time horizons are in line with the NGFS scenarios considered for determining material physical and transition climate-related risks (as outlined in Application Requirements 11 and 12 of ESRS E1).
These time horizons will also serve as input for setting the Group’s emission reduction targets once work on the transition plan begins.</td></tr>
<tr><td>Critical assumptions</td><td>The critical assumptions about how the transition to a lower-carbon and resilient economy will affect its surrounding macroeconomic trends, energy consumption and mix, and technology deployment assumptions.
Macroeconomic trends
For the Czech Republic, where the majority of the Group’s business is conducted, the following key trends affecting the Group’s business have been identified:
We see the following risks to the Group's operations:
Legal and regulatory risk:
Actual risk related to increasing ESG reporting requirements (ESRS, CRR, etc.) that the Group will need to meet, which will require investments and could lead to reputational risk if not properly managed.
Actual risk related to increasing ESG reporting requirements (ESRS, energy efficiency regulations, etc.) that will need to be met, which will require investments and could lead to reputational risk if not properly managed.
For the Group’s operations, we identify the following opportunities:
Legal and regulatory risk:
Potential opportunity related to providing financing to help companies fund their transition to a net-zero world.
Actual opportunities related to obtaining grants and incentives for the Group and for customers in connection with investments in green technologies, etc.
For the credit and investment portfolio, we see the following risks:
Politics and legislation:
Stricter building codes and energy efficiency standards may increase costs for property owners and developers.
Stricter environmental regulations and building codes may increase compliance costs and affect property values.
Technology:
Declining demand for fossil fuels and increasing demand for renewable energy sources may affect revenue streams.
Market:
Changes in market demand for more sustainable buildings may affect property values and rental income.
The transition to renewable energy sources requires significant investments in new technologies.
Changing consumer preferences towards sustainable products and services may affect sales and inventory management.
Reputation:
Companies that do not adapt to sustainability expectations may face reputational damage, affecting their market position and investor relations.
Companies that do not transition to cleaner energy sources may face reputational damage.
Retailers and wholesalers that do not adapt to sustainability trends may face reputational damage and loss of customer loyalty.</td></tr>
<tr><td>Expected financial impacts of significant physical and transition risks</td><td>No significant financial impacts from physical risks affecting own operations are expected. The expected financial impacts of transition risks on these operations have not yet been assessed, except for the following:
It is considered likely that risks arising from increasing ESG regulation will lead to expected medium-range costs and investments, which will be manageable with current business results and cash flows; and
It is considered likely that opportunities arising from the development of a business that would take advantage of the transition and climate change will be much greater than the costs of additional regulation.</td></tr>
</table>

	The expected financial impacts of physical and transition risks on loans and investments in monetary terms were assessed qualitatively. Current findings suggest the following: 1. The Group has exposures to several sectors that may be susceptible to climate-related physical risks, such as higher average daily temperatures, increased precipitation, and increased extreme precipitation. 2. The Group found that some sectors to which it has provided loans or in which it has invested may be susceptible to increased regulation and legislation regarding sustainability, changing customer expectations and needs (particularly concerning increased expectations related to the implementation of ESG policies and products), and increased expectations from investors and stakeholders.
Mitigation measures and resources	The Group has not yet implemented any mitigation measures. The Group has begun to consider ESG risks within its core banking activities and will further develop its approach. Risk assets will be monitored in the future as needed.
Areas of uncertainty	There are significant uncertainties and estimates in the scenarios and risk assessments considered.
Assets and business activities at risk	Most climate-related risks and opportunities are located in our credit and investment portfolios. Although we can make estimates based on the information currently available, we will need to gather more information in the future to better model the potential financial impacts of risks on the Group.

Materiality assessment of pollution-related impacts, risks and opportunities

As part of the double materiality analysis, the significance of impacts, risks, and opportunities related to pollution – air pollution, water pollution, soil pollution, pollution of living organisms and food sources, substances of concern, substances of very high concern, and microplastics – was assessed.

The Group reviewed the location of its operations and business activities. Since the Group is a banking entity and does not produce any physical goods, it is not a significant polluter. Consequently, no significant impacts, risks, or opportunities related to pollution were identified within its own operations. Within the supply chain, the Group did not identify any significant polluters given the nature of its suppliers.

No affected communities were recorded in connection with pollution arising from its own activities, as the Group is not a business entity that pollutes the environment.

The Group conducted an analysis of its credit and investment portfolio using the internationally recognized UNEP FI methodology and approach and did not identify any significant impacts, risks, or opportunities related to pollution.

Materiality assessment of water and marine resources-related impacts, risks and opportunities

As part of the double materiality analysis, the significance of impacts, risks, and opportunities related to water and marine resources – water consumption, water withdrawals, water discharges, discharges into oceans, and the extraction and use of marine resources – was assessed.

The location of operations and business activities was reviewed. Since the Group is a banking entity and not a manufacturing enterprise that uses large amounts of water or operates in a marine environment, no impacts, risks, or opportunities related to water and marine resources were identified within its own operations.

Within the supply chain, the Group did not identify any significant suppliers with a substantial impact on water and marine resources, given the nature of the suppliers.

No affected communities were recorded in connection with the area of water and marine resources from its own activities, as the Group is not a business that uses, recycles, or stores large amounts of water. Therefore, there was no engagement with these communities.

The Group conducted an analysis of its credit and investment portfolio using the internationally recognized UNEP FI methodology and approach and did not identify any significant impacts, risks, or opportunities related to water and marine resources.

Materiality assessment of biodiversity and ecosystems-related impacts, risks and opportunities

As part of the double materiality analysis, the significance of impacts, risks, and opportunities related to biodiversity and ecosystems – direct impact factors on biodiversity loss, impacts on species status, impacts on the extent and condition of ecosystems, and impacts and dependencies concerning ecosystem services – was assessed.

The location of operations and business activities was reviewed. As the Group is a banking entity, it does not have a significant impact on biodiversity and ecosystems from its own operations and, consequently, no such impacts, risks, or opportunities related to biodiversity and ecosystems were identified.

Within the supply chain, the Group did not identify any significant suppliers with a substantial impact on biodiversity and ecosystems, given the nature of the suppliers.

The Group has no sites in or near biodiversity-sensitive areas, so there is no need to implement measures to mitigate impacts on biodiversity.

No affected communities related to biodiversity and ecosystems were recorded from its own activities, and therefore, no dialogue was conducted with such communities.

No dependencies on biodiversity and ecosystems and their services were identified in the Group's own operations. Biodiversity scenario analysis was not used for identifying and assessing material risks and opportunities, as biodiversity and ecosystems are not considered material sustainability topics for the banking entity's own operations.

In the analysis of physical risks and transition risks related to climate change, biodiversity and ecosystem impacts were explored, but systemic risks were not assessed due to insufficient internal information available for this purpose.

The Group conducted an analysis of its credit and investment portfolio using the internationally recognized UNEP FI methodology and approach, and identified an actual negative impact on biodiversity and ecosystems through financing and investments in real estate, construction, and energy production.

Materiality assessment of resource use and circular economy-related impacts, risks and opportunities

As part of the double materiality analysis, the significance of impacts, risks, and opportunities related to resource use and the circular economy – resource inflows, including resource use, resource outflows related to products and services, and waste – was assessed.

For the purposes of the double materiality assessment of resource use and circular economy-related impacts, risks and opportunities, the location of operations and business activities was reviewed. Since the Group is a banking entity that does not engage in the production of goods and therefore does not use raw materials and semi-finished products for manufacturing, no impacts, risks, or opportunities related to the circular economy were identified within its own operations.

Within the supply chain, the Group did not identify any significant suppliers with a substantial impact on resource use and the circular economy, given the nature of the suppliers.

No affected communities related to the circular economy were recorded from its own activities, as the Group is not a business entity that produces physical goods, and therefore, no engagement was conducted with such communities.

The Group conducted an analysis of its credit and investment portfolio using the internationally recognized UNEP FI methodology and approach, and identified a negative impact on the circular economy, as the Group provides loans to sectors that produce waste (such as construction and energy production).

IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statements

List of disclosure requirements under ESRS that have been assessed as material and are therefore included in the sustainability statement:

DR	*Description*	*Reference*
BP-1	General basis for preparation of the sustainability statements	p. 4
BP-2	Disclosures in relation to specific circumstances	p. 4–5
GOV-1	The role of the administrative, management and supervisory bodies	p. 6–8
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	p. 8–9
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 9
GOV-4	Statement on sustainability due diligence	p. 9
GOV-5	Risk management and internal controls over sustainability reporting	p. 10–11
SBM-1	Strategy, business model and value chain	p. 12–14
SBM-2	Interests and views of stakeholders	p. 15–17
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 18–22, 59–60, 68, 75, 77
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 23–32
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	p. 32–39
E1-1	Transition plan for climate change mitigation	p. 63
E1-2	Policies related to climate change mitigation and adaptation	p. 64
E1-3	Actions and resources in relation to climate change policies, metrics and targets	p. 64–65
E1-4	Targets related to climate change mitigation and adaptation	p. 65
E1-5	Energy consumption and mix	p. 65
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	p. 66-70
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	p. 71
E4-2	Policies related to biodiversity and ecosystems	p. 71
E4-3	Actions and resources related to biodiversity and ecosystems	p. 71
E4-4	Targets related to biodiversity and ecosystems	p. 71

E5-1	Policies related to resource use and circular economy	p. 71
E5-2	Actions and resources related to resource use and circular economy	p. 71
E5-3	Targets related to resource use and circular economy	p. 71
S1-1	Policies related to own workforce	p. 72-73
S1-2	Processes for engaging with own workers and workers' representatives about impacts	p. 73-74
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	p. 74
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 71
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 75
S1-6	Characteristics of the undertaking's employees	p. 76-77
S1-9	Diversity metrics	p. 77-78
S1-16	Compensation metrics (pay gap and total compensation)	p. 78
S1-17	Incidents, complaints and severe human rights impacts	p. 78
S2-1	Policies related to value chain workers	p. 79
S2-2	Processes for engaging with value chain workers about impacts	p. 79
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 79
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	p. 79
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 80
S3-1	Policies related to affected communities	p. 80
S3-2	Processes for engaging with affected communities about impacts	p. 80
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	p. 80
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	p. 80
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 80
S4-1	Policies related to consumers and end-users	p. 81-82
S4-2	Processes for engaging with consumers and end-users about impacts	p. 82
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	p. 82-84

A table of all datapoints arising from other EU legislation, including information on where these datapoints can be found in the Sustainability Statement, or whether the Group has assessed the given data as immaterial (for these datapoints, "immaterial" will be noted in the table):

Disclosure Requirement and related datapoint	*SFDR[1] reference*	*Pillar 3 reference[2]*	*Benchmark Regulation reference[3]*	*Climate Law reference[4]*	*Reference*
ESRS 2 GOV-1 Board's gender diversity (paragraph 21 (d))	Indicator number 13 of, Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816[5], Annex II		p. 7
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		p. 6
ESRS 2 GOV-4 Statement on due diligence (paragraph 30)	Indicator number 10, Table #3 of Annex 1				p. 9
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4, Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453[6], Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		p. 14
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9, Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		p. 14
ESRS 2 SBM-1 Involvement in activities related to controversial weapons (paragraph 40 (d) iii)	Indicator number 14, Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818[7], Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		p. 14
ESRS 2 SBM-1			Delegated Regulation		p. 14

[1] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

[2] 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 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

[3] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

[4] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

[5] Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

[6] Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324,19.12.2022, p.1.).

[7] Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			(EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		
ESRS E1-1 Transition plan to reach climate neutrality by 2050 (paragraph 14)				Regulation (EU) 2021/1119, Article 2(1)	p. 63
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks (paragraph 16 (g))		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		p. 63
ESRS E1-4 GHG emission reduction targets (paragraph 34)	Indicator number 4, Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		p. 65
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) (paragraph 38)	Indicator number 5, Table #1 and Indicator n. 5, Table #2 of Annex 1				p. 65
ESRS E1-5 Energy consumption and mix (paragraph 37)	Indicator number 5, Table #1 of Annex 1				p. 65
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors (paragraphs 40 to 43)	Indicator number 6, Table #1 of Annex 1				p. 65
ESRS E1-6 Gross Scopes 1, 2, 3 and total GHG emissions (paragraph 44)	Indicators number 1 and number 2, Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		p. 66
ESRS E1-6 Gross GHG emissions intensity (paragraphs 53 to 55)	Indicators number 3, Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		p. 70
ESRS E1-7 GHG removals and carbon credits (paragraph 56)				Regulation (EU) 2021/1119, Article 2(1)	immaterial
ESRS E1-9 Exposure of the benchmark portfolio to			Delegated Regulation (EU) 2020/1818,		deferred

climate-related physical risks (paragraph 66)			Annex II Delegated Regulation (EU) 2020/1816, Annex II		
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk (paragraph 66 (a)) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			deferred
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes (paragraph 67 (c))		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34;Template 2: Loans collateralised by immovable property - Energy efficiency of the collateral			deferred
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities (paragraph 69)			Delegated Regulation (EU) 2020/1818, Annex II		deferred
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil (paragraph 28)	Indicator number 8, Table #1 of Annex 1 Indicator number 2, Table #2 of Annex 1 Indicator number 1, Table #2 of Annex 1 Indicator number 3, Table #2 of Annex 1				immaterial
ESRS E3-1 Water and marine resources (paragraph 9)	Indicator number 7, Table #2 of Annex 1				immaterial
ESRS E3-1 Dedicated policy (paragraph 13)	Indicator number 8, Table 2 of Annex 1				immaterial
ESRS E3-1 Sustainable oceans and seas (paragraph 14)	Indicator number 12, Table #2 of Annex 1				immaterial
ESRS E3-4 Total water recycled and reused (paragraph 28 (c))	Indicator number 6.2, Table #2 of Annex 1				immaterial
ESRS E3-4 Total water consumption in m3 per net revenue on own operations (paragraph 29)	Indicator number 6.1, Table #2 of Annex 1				immaterial
ESRS 2 – SBM 3 – E4 paragraph 16 (a) i	Indicator number 7, Table #1 of Annex 1				immaterial
ESRS 2 – SBM 3 – E4 paragraph 16 (b)	Indicator number 10, Table #2 of Annex 1				immaterial
ESRS 2 – SBM 3 – E4 paragraph 16 (c)	Indicator number 14, Table #2 of Annex 1				immaterial

ESRS E4-2 Sustainable land / agriculture practices or policies (paragraph 24 (b))	Indicator number 11, Table #2 of Annex 1				p. 71
ESRS E4-2 Sustainable oceans / seas practices or policies (paragraph 24 (c))	Indicator number 12, Table #2 of Annex 1				p. 71
ESRS E4-2 Policies to address deforestation (paragraph 24 (d))	Indicator number 15, Table #2 of Annex 1				p. 71
ESRS E5-5 Non-recycled waste (paragraph 37 (d))	Indicator number 13, Table #2 of Annex 1				immaterial
ESRS E5-5 Hazardous waste and radioactive waste (paragraph 39)	Indicator number 9, Table #1 of Annex 1				immaterial
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour (paragraph 14 (f))	Indicator number 13, Table #3 of Annex I				p. 72 a 79
ESRS 2 – SBM3 – S1 Risk of incidents of child labour (paragraph 14 (g))	Indicator number 12, Table #3 of Annex I				p. 72 a 79
ESRS S1-1 Human rights policy commitments (paragraph 20)	Indicator number 9, Table #3 and Indicator number 11, Table #1 of Annex I				p. 72
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 (paragraph 21)			Delegated Regulation (EU) 2020/1816, Annex II		p. 72
ESRS S1-1 Processes and measures for preventing trafficking in human beings (paragraph 22)	Indicator number 11, Table #3 of Annex I				p. 72
ESRS S1-1 Workplace accident prevention policy or management system (paragraph 23)	Indicator number 1, Table #3 of Annex I				p. 72-73
ESRS S1-3 Grievance/complaints handling mechanisms (paragraph 32 (c))	Indicator number 5, Table #3 of Annex I				p. 74
ESRS S1-14 Number of fatalities and number and rate of work-related accidents (paragraph 88 (b) and (c))	Indicator number 2, Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		immaterial
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness (paragraph 88 (e))	Indicator number 3, Table #3 of Annex I				immaterial
ESRS S1-16 Unadjusted gender pay gap (paragraph 97 (a))	Indicator number 12, Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		p. 78

ESRS S1-16 Excessive CEO pay ratio (paragraph 97 (b))	Indicator number 8, Table #3 of Annex I				p. 78
ESRS S1-17 Incidents of discrimination (paragraph 103 (a))	Indicator number 7, Table #3 of Annex I				p. 78
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines (paragraph 104 (a))	Indicator number 10, Table #1 and Indicator number 14, Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		p. 78
ESRS 2 – SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and number 13, Table #3 of Annex I				p. 79
ESRS S2-1 Human rights policy commitments (paragraph 17)	Indicator number 9, Table #3 and Indicator number 11, Table #1 of Annex 1				p. 79
ESRS S2-1 Policies related to value chain workers (paragraph 18)	Indicator number 11 and number 4, Table #3 of Annex 1				p. 79
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines (paragraph 19)	Indicator number 10, Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		p. 79
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 (paragraph 19)			Delegated Regulation (EU) 2020/1816, Annex II		p. 79
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain (paragraph 36)	Indicator number 14, Table #3 of Annex 1				p. 79
ESRS S3-1 Human rights policy commitments (paragraph 16)	Indicator number 9, Table #3 of Annex 1 and Indicator number 11, Table #1 of Annex 1				p. 80
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines (paragraph 17)	Indicator number 10, Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		p. 80
ESRS S3-4 Human rights issues and incidents (paragraph 36)	Indicator number 14, Table #3 of Annex 1				p. 80
ESRS S4-1 Policies related to consumers	Indicator number 9, Table #3 and				p. 81-82

and end-users (paragraph 16)	Indicator number 11, Table #1 of Annex 1				
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines (paragraph 17)	Indicator number 10, Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		p. 82
ESRS S4-4 Human rights issues and incidents (paragraph 35)	Indicator number 14, Table #3 of Annex 1				p. 84
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15, Table #3 of Annex 1				p. 87
ESRS G1-1 Protection of whistle-blowers (paragraph 10 (d))	Indicator number 6, Table #3 of Annex 1				p. 87-88
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws (paragraph 24 (a))	Indicator number 17, Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		p. 92
ESRS G1-4 Standards of anti-corruption and anti-bribery (paragraph 24 (b))	Indicator number 16, Table #3 of Annex 1				p. 92

The information to be disclosed in relation to the impacts, risks, and opportunities that it has assessed as material, including the use of thresholds and/or how it has applied the criteria in ESRS 1 section 3.2 “Material matters and materiality of information”, has been described above in ESRS 2 IRO-1.

Environmental information

Information pursuant to Article 8 of EU Regulation 2020/852 (or EU Regulation 2021/2178)

This section of the sustainability report focuses on describing the Group's activities in terms of how and to what extent they relate to economic activities that qualify as environmentally sustainable in accordance with EU Regulation 2020/852 (the EU Taxonomy) and other related regulatory documents.

Basis of preparation for the published information

The disclosed information relates to financial undertakings included in the Bank's prudential consolidation unit and non-financial undertakings included in the accounting consolidation (a list by type of entity is provided below). Disclosure of key performance indicators ("KPIs") and relevant qualitative information is made in accordance with EU Regulation 2021/2178, whereby for the purposes of reporting information under this Regulation, individual entities within the Group are considered to be credit institutions, investment firms, asset managers or non-financial undertakings.

Compared to the previous year, the scope of covered entities has been expanded[8]; in the previous annual report, data was provided only for entities included in the Bank's prudential consolidation unit.

The following entities in the prudential consolidation unit are considered credit institutions (hereinafter collectively "Credit Institutions") (i.e. the reported KPIs relating to credit institutions apply to these entities):

- J&T BANKA, a.s. and its two branches
- J&T banka d.d.

Within the Group, the following entities in the prudential consolidation unit are investment firms (hereinafter collectively "Investment Firms") as defined in EU Regulation 2021/2178 (i.e. the published KPIs relating to investment firms apply to these entities):

- ATLANTIK finanční trhy, a.s.

The following entities in the prudential consolidation unit are considered to be asset managers (hereinafter collectively "Asset Managers") for the purposes of disclosure under EU Regulation 2021/2178 - therefore the reported KPIs relating to asset managers apply to these entities[9]:

- AMISTA investiční společnost, a.s.
- J&T INVESTIČNÍ SPOLEČNOST, a.s.
- J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.

The following entities from the consolidation group are considered as non-financial undertakings under EU Regulation 2021/2178 (hereinafter collectively "Non-financial Undertakings"). Specifically, they are the following entities (the reported KPIs relating to Non-financial Undertakings relate to these entities):

- J&T IB and Capital Markets, a.s.
- J&T RFI I., s.r.o.
- J&T Leasingová společnost, a.s.
- Rustonka Development II s.r.o.

[8] In accordance with the clarifications (particularly question no. 9) set out in the Third Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets.

[9] J&T ORBIT SICAV, a.s. also falls under the management of AMISTA Investment Company, a.s. (i.e., it is the manager) and J&T INVESTIČNÍ SPOLEČNOST, a.s. also includes J&T NextGen otevřený podílový fond, J&T Realitních akcií a dluhopisů otevřený podílový fond and J&T VENTURES I otevřený podílový fond, i.e., these entities are not separately included in the calculations.

Of the above consolidated entities, only J&T BANKA, a.s. would have to disclose non-financial information on an individual basis (which, however, already publishes the information at Group level) pursuant to Article 19a of Directive 2013/34/EU.

In 2024, alignment with the taxonomy was assessed for the Financial Undertakings against two environmental objectives (climate change mitigation and climate change adaptation) and for the Non-financial undertakings against all six environmental objectives. An exception for financial undertakings is the situation where, in a calculation based on counterparties' KPIs, information on the alignment of their activities with the taxonomy is already available for the remaining four objectives. The KPIs for financial undertakings are always calculated twice over, depending on whether the counterparty's KPI for turnover or capital expenditure (CapEx) is used to assess taxonomy alignment (or eligibility for the taxonomy[10]) in the case of exposures with unknown use of the funds provided.

Alignment of activities with the taxonomy – Credit Institutions

Summary information on KPIs for Credit Institutions is provided in Annex EUTAX, Table EUTAX 1.

The main key performance indicator is the Green Asset Ratio (GAR), which represents the proportion of assets financing taxonomy-aligned activities to total covered assets (see below for the calculation methodology). The value of total assets included in 2024 was CZK 162.7 billion (i.e. 51.53% of the total balance of the Credit Institutions' assets).

Included in the GAR numerator are loans and other receivables, debt securities, equity instruments and foreclosed commercial and residential real estate collateral against specified counterparties[11]. The proportion of these assets (before assessing their eligibility for/alignment with the taxonomy) in relation to the total assets included is 10.53%, i.e. for this proportion, eligibility for the taxonomy (or alignment with the taxonomy) is further assessed.

The following exposures, for example, are excluded from the numerator:

- derivatives: representing 0% of total assets (0% of total assets included)[12];
- exposures to undertakings not subject to non-financial disclosure under Articles 19a or 29a of Directive 2013/34/EU: representing 34.71% of total assets (67.36% of total covered assets).

Thus, a relatively small percentage of assets may enter the GAR numerator because of the current business focus of the Credit Institutions. The counterparties of Credit Institutions are in most cases Financial and Non-financial Undertakings that are not subject to the reporting requirements of Articles 19a and 29a of Directive 2013/34/EU.

The GAR as at 31 December 2024 was 0.63% when calculated based on the counterparty KPI for turnover and 0.82% when calculated based on the counterparty KPI for CapEx (stock GAR; see Annex EUTAX, Tables EUTAX 8 and EUTAX 10).

In the case of the GAR based on the counterparties' KPI for turnover, 0.61% of this indicator relates to the climate change mitigation objective, 0.02% to the climate change adaptation objective, and less than 0.01% to the objective related to water and marine resources (similarly 0.72%, 0.10%,

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[10] An activity is taxonomy-eligible if it is listed in the regulations specifying the technical screening criteria, i.e. it can potentially be taxonomy-aligned (if other criteria are met).
Taxonomy eligibility is assessed against the technical screening criteria set out in Annexes I and II of EU Regulation 2021/2139 and Annexes I–IV of EU Regulation 2023/2486.

[11] Financial Undertakings (Credit Institutions, Investment Firms, management companies, insurance and reinsurance undertakings as defined in Article 1(8) of EU Regulation 2021/2178) and Non-financial Undertakings subject to disclosure obligations under Articles 19a or 29a of Directive 2013/34/EU, possibly issuing environmentally sustainable bonds; households (including a more detailed breakdown into loans secured by residential property, loans for renovation of buildings and loans for motor vehicles) and local authorities to which financing is provided for a known purpose.

[12] See also the assumptions for the inclusion of derivatives below.

and 0.00%, respectively, when considering the GAR calculated on the basis of the counterparties' KPI for CapEx).

Compared to 2023, there was an increase in the GAR based on counterparty KPI for turnover of 0.27%, using counterparty KPIs for CapEx it was 0.50%. This change is mainly due to the availability of more reliable data from counterparties and a reduction in the number of simplifying assumptions used in the calculation. There were no significant changes in the portfolio structure or the nature of the clients of Credit Institutions.

Tables EUTAX 6 and EUTAX 7 in Annex EUTAX specify the composition of assets vis-à-vis Non-financial Undertakings subject to the reporting requirements of Article 19a/29a of Directive 2013/34/EU in accordance with the taxonomy in terms of the activity (NACE) to which they relate.

The magnitude of the GAR is close to zero in all cases – both when looking at the counterparty KPIs for turnover and for CapEx. Within the portfolio of loans, debt securities, and capital instruments, only exposures to non-financial corporates are represented in the numerator of the GAR[13]. All taxonomy-aligned exposures were based on available counterparty activity data for 2023 (data for 2024 were not available).

As mentioned above, a large part of the exposures to Financial and Non-financial Undertakings have been excluded from the numerator of the GAR indicator (i.e. it cannot comply with the taxonomy) as these undertakings are not subject to reporting under Article 19a/29a of Directive 2013/34/EU. A significant part of the funding of Financial and Non-financial Undertakings also relates to legal entities such as *special purpose vehicles* or *SPVs* (these are companies set up specifically for projects/activities, e.g. development projects). For exposures to SPVs, the 'look through' method (i.e. assessing the actual beneficiaries of funding through SPVs in terms of their sustainability) was not currently used and therefore these exposures were not classified as taxonomy-aligned.

Some of the exposures were also not assessed for their consistency with (or eligibility for) the taxonomy due to the simplifications used – see methodological assumptions below. None of the exposures falling under the category 'Households' or 'Financial Undertakings' were assessed as taxonomy-aligned exposures.

The table below shows the proportion of taxonomy-aligned exposures in total taxonomy-aligned assets for each counterparty type (the sum of these exposures is 100%). The table also records the proportion of taxonomy-aligned exposures to a particular type of counterparty compared to the total gross carrying amount of exposures included in total covered assets to those counterparties (i.e. the extent to which exposures to a particular category of counterparty are taxonomy-aligned)[14].

Type of counterparty	*Taxonomy-aligned exposures as a proportion of taxonomy-aligned assets*	*The proportion of taxonomy-aligned exposures to the gross carrying amount of exposures (to given counterparties) that are included in total covered assets*

[13] The alignment with the taxonomy for these exposures specifically concerns the following activities: manufacturing of equipment for increasing the energy efficiency of buildings (CCM 3.5), solar photovoltaic electricity generation (CCM 4.1), wind electricity generation (CCM 4.3), hydroelectric power generation (CCM 4.5), electricity transmission and distribution (CCM 4.9), electricity storage (CCM 4.10), district heating/cooling distribution (CCM 4.15), combined heat/cooling and bioenergy electricity generation (CCM 4.20), construction and safe operation of new nuclear power plants for electricity or heat generation, including hydrogen production, using best available technology (CCM 4.27), electricity generation from nuclear energy in existing installations (CCM 4.28), electricity generation from fossil gaseous fuels (CCM 4.29), high-efficiency co-generation of heat/cool and power from fossil gaseous fuels (CCM 4.30), production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system (CCM 4.31), construction, expansion and operation of water collection, treatment and supply systems (CCM 5.1 and WTR 2.1), construction, expansion and operation of wastewater collection and treatment systems (CCM 5.3 and WTR 2.2), installation, maintenance and repair of energy efficiency equipment (CCM 7.3), installation, maintenance and repair of renewable energy process equipment (CCM 7.6), acquisition and ownership of buildings (CCM 7.7), programming, consultancy and related activities (CCA 8.2), education (CCA 11).

[14] This logic for calculating the shares is also used in the EUTAX 8, EUTAX 10, EUTAX 12, EUTAX 13, EUTAX 14, EUTAX 15, EUTAX 16 and EUTAX 17 tables in the EUTAX Annex. The given tables show in each row the proportions in relation to the value of the total included exposures to the given counterparty type or only with the given asset type. Due to the unclear interpretation of the related regulatory provisions in terms of how the ratios are to be constructed (whether in relation to the value of the total assets included or only in relation to the counterparties), the Group has currently chosen the above approach for the calculation of the ratios - it is possible that the calculation will be changed in future years as regulatory requirements are clarified.

Non-financial Undertakings reporting under Article 19a/29a of Directive 2013/34/EU	100%* / 100%**	7.39% * / 9.6% **
Financial Undertakings reporting under Article 19a/29a of Directive 2013/34/EU	- %* / - %**	- %* / - %**
Households	- %	- %
Local authorities	- %	- %
Seized real estate collateral	- %	- %

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

It is clear that exposures to Non-financial Undertakings account for the largest share of assets according to the taxonomy. Exposures to these counterparties are also the most taxonomy-aligned in a relative assessment (looking at the measure of taxonomy-aligned exposures within a given counterparty category).

Credit Institutions have several exposures on their assets related to nuclear power or fossil gaseous fuels[15]. Specifically, it concerns the financing of non-financial undertakings whose activities are related to the production of electricity and heat from nuclear, steam or natural gas sources[16].

The table below shows the proportion of taxonomy-aligned exposures and are related to nuclear energy or fossil gases as a proportion of total covered assets. The table also specifies the share of exposures related to the taxonomy-aligned activities in total taxonomy-aligned assets.

Type of related activity	*Taxonomy-aligned exposures as a proportion of total covered assets*	*Taxonomy-aligned exposures as a proportion of taxonomy-aligned assets*
Nuclear energy	0.24% * / 0.36% **	44.15% * / 51.20% **
Fossil gases	- % * / 0,00 %**	0.00% * / 0.07 % **

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

The following table shows the proportion of exposures related to nuclear energy or fossil gases that are eligible for the taxonomy, but not consistent with it, as a proportion of total covered assets. Other data in the table refer to the proportion of exposures related to nuclear energy or fossil gaseous fuels that are not eligible for the taxonomy compared to the total assets included.

Type of related activity	*Share of taxonomy-eligible (but not aligned) exposures in total covered assets*	*Share of taxonomy-non-eligible exposures in total assets covered*
Nuclear energy	- % * / - % **	0.00% * / - % **
Fossil gases	0.00% * / 0.00% **	- % * / - % **

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

More detailed information on exposures related to nuclear energy and fossil gases is provided in Annex EUTAX, Tables EUTAX 18–26.

A total of 2.39% of the total covered assets can be considered eligible[17] for the taxonomy when assessed in terms of the counterparty KPI for turnover, 3.80% when using the counterparty KPI for CapEx. These are typically the same categories of exposures in terms of counterparty and asset types, and in terms of the activities financed, the eligible activities include, in addition to the activities

[15] According to Sections 4.26, 4.27, 4.28, 4.29, 4.30 and 4.31 of Annexes I and II of EU Regulation 2021/2139.

[17] According to EU Regulations 2021/2139 and 2023/2486.

already mentioned in respect of the alignment with the taxonomy, several other activities [18](in the case of loans, some exposures have been assessed as taxonomy-eligible based on the purpose of the provided financial resources[19]). The below information relates to the assessment of eligibility against the four environmental objectives for which technical screening criteria have been issued in 2023 (hereafter referred to as the "new TSCs")[20], see also the information provided in the EUTAX Annex, EUTAX tables 8 and EUTAX 10[21]:

- the share of exposures eligible for the taxonomy under the new TSC in total covered assets: 0.03% according to counterparty KPI for turnover and 0.00% as per the CapEx KPI of counterparties.
- the proportion of taxonomy-non-eligible[22] exposures under the new TSC in total covered assets: 10.50% according to counterparty KPI for turnover and 10.53% as per the CapEx KPI of counterparties.

The same assumptions, procedures, and data sources[23] were used to calculate these indicators as were used to determine eligibility/ineligibility with respect to the previously existing technical screening criteria (see below).

During 2024, 0.54% (as per counterparty KPIs for turnover; 0.57% as per counterparty KPIs for CapEx) of new exposures were taxonomy-aligned (flow GAR; see Annex EUTAX, Tables EUTAX 12 and EUTAX 13) compared to total new additions to total covered assets.

These values represent an increase compared to the amount of new taxonomy-aligned exposures for 2023 (0.35% when calculated as per the counterparty KPI for turnover, 0.46% for CapEx). The reasons for this increase are similar to those for the stock indicator.

The new taxonomy-aligned exposures were related to both the climate change mitigation objective (as per the counterparty KPIs for both turnover and CapEx) and the climate change adaptation objective.[24]

The low value of taxonomy alignment for new exposures is related, similarly to GAR, to the fact that a relatively large number of new exposures were exposures to entities not subject to reporting under Article 19a/29a of Directive 2013/34/EU, or to entities engaged in activities outside the scope of the taxonomy, or for which it was conservatively decided to classify them as exposures not in alignment with the taxonomy (or ineligible for the taxonomy) due to lack of reliable data.

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[18] Electricity generation using bioenergy (CCM 4.8), production of heat/cooling using waste heat (CCM 4.25), construction of new buildings (CCM 7.1), renovation of existing buildings (CCM 7.2), data processing and hosting activities (CCM 8.1), manufacture of electrical and electronic equipment (CE 1.2), collection and disposal of non-hazardous and hazardous waste (CE 2.3), sale of spare parts (CE 5.2), collection and disposal of hazardous waste (PPC 2.1).

[19] Specifically, the activities financed were: renovation of existing buildings (CCM 7.2) and programming, consultancy and related activities (CCA 8.2). None of the special purpose loans were assessed as taxonomy-aligned.

[20] The technical screening criteria set out in EU Regulation 2023/2486 (Annexes I – IV), Sections 3.18 – 3.21 and 6.18 – 6.20 of Annex I to EU Regulation 2021/2139 and Sections 5.13, 7.8, 8.4, 9.3, 14.1 and 14.2 of Annex II to EU Regulation 2021/2139. These are technical screening criteria for the four remaining environmental objectives and for new economic activities (e.g. production of components for cars and personal mobility equipment, aircraft manufacturing, aircraft leasing, passenger and air freight transport, emergency services, desalination, etc.) that can contribute to the objective of climate change mitigation and adaptation.

[21] In the case of the mitigation and adaptation objectives, the proportions of eligible exposures in terms of the new technical screening criteria (in Sections 3.18 – 3.21 and 6.18 – 6.20 of Annex I of EU Regulation 2021/2139 and Sections 5.13, 7.8, 8.4, 9.3, 14.1 and 14.2 of Annex II, respectively) would not be derivable from the table, but the proportions are zero.

[22] Exposures that are related to activities that are not described in the regulations specifying the technical screening criteria or for which insufficient information is available to assess their eligibility are considered ineligible. Taxonomy-non-eligible exposures can only be found in the numerator of the KPIs.

[23] I.e. the same type of items are included in the denominator and numerator of the indicators, counterpart data are used if available (if not, the exposure is assessed as ineligible), double counting across assessments due to different environmental objectives is avoided, etc.

[24] These were the following taxonomy-aligned activities (as per the counterparties' KPIs): acquisition and ownership of buildings (CCM 7.7), programming, consultancy and related activities (CCA 8.2), education (CCA 11).

New exposures in 2024 were not related to nuclear power or fossil gaseous fuels. More detailed information on exposures related to nuclear energy and fossil gases is provided in Annex EUTAX, Table EUTAX 27.

A total of 4.37% of the total covered assets arising in 2024 can be considered eligible for the taxonomy when calculating using the counterparty KPI for turnover, and 6.90% when using the counterparty KPI for CapEx. This is almost the same type of exposure as already listed above for new taxonomy-aligned exposures, with the difference that the taxonomy-eligible status related to more activities of the counterparties.[25]

Another of the Credit Institutions' KPIs is the key performance indicator 'off-balance sheet exposures', which represents the proportion of off-balance sheet assets that are related to taxonomy-aligned activities to total off-balance sheet exposures, which exclude exposures to central governments, central banks and supranational issuers. This indicator is further subdivided into financial guarantees and assets under management.

As at 31 December 2024, the KPI for financial guarantees was 0% as per the Turnover KPI of counterparties (as well as 0% as per the CapEx KPI of counterparties). In the case of assets under management, it was 1.28% (for the calculation based on counterparty KPIs for turnover) and 4% (calculation based on CapEx) – see Annex EUTAX, Tables EUTAX 14 and EUTAX 15.

The financial guarantees concerned only counterparties that do not have a reporting obligation under Article 19a/29a of Directive 2013/34/EU, with one exception (which was not taxonomy-aligned). The value of eligible financial guarantees was 0% according to the counterparty KPIs for turnover, 0.01% according to the counterparty KPIs for CapEx.

In the case of assets managed by Credit Institutions, 5.22% of exposures were taxonomy-eligible when using counterparty turnover KPI, and 14.11% when using CapEx KPI.

Compared to the results for 2023, there was no increase in taxonomy alignment for financial guarantees. For managed guarantees, the increase was 1.28% and 4% respectively (the former according to the counterparty KPI for turnover, the latter for CapEx). The main reason for these changes is to reduce deficiencies in internal data and processes that last year prevented an accurate assessment of taxonomy eligibility and taxonomy alignment.

There were no new off-balance sheet exposures created during 2024 – financial guarantees that are taxonomy-aligned or taxonomy-eligible (when using the counterparty KPI for turnover and for CapEx – see Annex EUTAX, Tables EUTAX 16 and EUTAX 17).

For assets under management, the proportion of newly created taxonomy-aligned exposures was 0.05% when calculated using the turnover KPI, and 0.11% when using the counterparties' CapEx KPI. Regarding the eligibility of new assets under management, it was 0.11% when calculated using the turnover KPI of counterparties and 0.18% when using the CapEx KPI.

No financial guarantees are associated with nuclear power or fossil gaseous fuels activities (see also Table EUTAX 28 in Annex EUTAX).

In the case of assets under management, some exposures were related to nuclear energy and fossil gaseous fuels – see Appendix EUTAX, tables EUTAX 29–37.

The table below shows the proportion of taxonomy-aligned assets under management which are related to nuclear energy or fossil gases. In addition, the table shows the proportion of assets under management related to the taxonomy-aligned activities to the total volume of taxonomy-aligned assets under management.

[25] Electricity generation using solar photovoltaic technology (CCM 4.1), electricity generation using bioenergy (CCM 4.8), electricity transmission and distribution (CCM 4.9), construction of new buildings (CCM 7.1), renovation of existing buildings (CCM 7.2), data processing and hosting activities (CCM 8.1), manufacture of electrical and electronic equipment (CE 1.2), collection and disposal of non-hazardous and hazardous waste (CE 2.3), sale of spare parts (CE 5.2), collection and disposal of hazardous waste (PPC 2.1).

Type of related activity	*Proportion of taxonomy-aligned assets under management to assets under management*	*Proportion of taxonomy-aligned assets under management to taxonomy-aligned assets under management*
Nuclear energy	0.31% * / 0.43% **	24.40% * / 10.80% **
Fossil gases	- %* / 0.26%**	- %* / 6.43%**

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

The table below shows the proportion of taxonomy-eligible but taxonomy-non-aligned assets under management related to nuclear power or fossil gases to assets under management. In addition, the table shows the proportions of taxonomy-non-eligible exposures related to nuclear energy or fossil gases compared to assets under management.

Type of related activity	*Proportion of taxonomy-eligible (but taxonomy-non-aligned) assets to assets under management*	*Proportion of taxonomy-non-eligible assets under management to assets under management*
Nuclear energy	- %* / - %**	0,00 %* / - %**
Fossil gases	1.28% * / 2.93 % **	0.00%* / 0.00%**

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

Assets under management related to nuclear energy and fossil gaseous fuels specifically represent securities of non-financial undertakings whose activities are related to the production of electricity and heat from nuclear, steam or natural gas sources[26].

Alignment of activities with the taxonomy – Investment Firms

The Green Asset Ratio for Investment Firms represents the proportion of assets financing taxonomy-aligned activities to total assets invested by Investment Firms for their own account, after excluding exposures to central governments, central banks and supranational issuers. The denominator of that proportion in 2024 was a total of EUR 41.83 million (i.e. 100% of the total balance of assets invested by Investment Firms for their own account).

The numerator of this indicator includes debt securities, equity instruments, cash equivalents due to investees and all other assets in which the Investment Firms invest for their own account. The numerator excludes, however, exposures to undertakings that are not subject to the non-financial disclosure requirements of Articles 19a or 29a of Directive 2013/34/EU – these represent 93.5% of the Investment Firms' total assets available for investment for own account (or 93.5% of total assets invested for own account after excluding exposures to central governments, central banks and supranational issuers).

The Green Asset Ratio for Investment Firms was 0.05% as at 31 December 2024, if the counterparty KPI for turnover is used, and 0.31% for the counterparty KPI for CapEx (see Annex EUTAX, Tables EUTAX 38–40).[27] The reason for the relatively low values of KPIs is the nature of the business activities of Investment Firms (i.e. ATLANTIK finanční trhy, a.s.), which is focused more on the activities of an investment fund depositary and only a small part of the activities is devoted to investment activities – these are several types of securities in the context of investing on one's own behalf, which at the same time relate almost exclusively to companies that do not have an obligation to report under Article 19a or 29a of Directive 2013/34/EU.

Taxonomy-aligned assets for Investment Firms relate primarily to the climate change adaptation objective (0.05% or 0.31% depending on which counterparty KPI is used).

[26] These are the following activities as specified in EU Regulation 2021/2139: construction and safe operation of new nuclear power plants for the generation of electricity or heat, including for hydrogen production, using best-available technologies (4.27), and generation of electricity from nuclear energy in existing installations (4.28), electricity generation from fossil gaseous fuels (4.29), high-efficiency co-generation of heat/cool and power from fossil gaseous fuels (4.30), production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system (4.31).
[27] Alignment with the taxonomy for this indicator relates to the following counterparty activities: programming, consulting and related activities (CCA 8.2), education (CCA 11).

The values of the green asset ratio for investment firms have increased compared to 2023 by their entire current value. Compared to the previous year, there was an improvement in terms of available data.

0.17% and 0.97%, respectively of the total assets invested by the Investment Firms for their own account, which excludes exposures to central governments, central banks and supranational issuers, are considered taxonomy-eligible (both when using the counterparty KPI for turnover and in the case of a calculation based on the counterparty KPI for CapEx).[28] Taxonomy-eligible assets relate to climate change mitigation (0.00% in the case of using KPI for turnover, 0.64% for CapEx), climate change adaptation (0.05% and 0.31%, respectively), and circular economy (0.11% and 0.01%, respectively).

In relation to the technical screening criteria issued in 2023, the Investment Firms have calculated the following figures (in relation to 2024):

- the proportion of exposures eligible for the taxonomy under the new TSC to total assets invested by Investment Firms for their own account, after excluding exposures to central governments, central banks and supranational issuers: 0.11% according to counterparty KPI for turnover and 0.01% as per the CapEx KPI of counterparties.
- the share of taxonomy-non-eligible exposures under the new TSC in total assets invested for own account after excluding exposures to central governments, central banks and supranational issuers: 6.39% according to counterparty KPI for turnover and 6.49% as per the CapEx KPI of counterparties.

As Investment Firms trade only on their own account, they do not disclose KPIs relating to revenues (fees, commissions and other monetary benefits in relation to the services provided).

No exposures of Investment Firms relate to nuclear power or fossil gas activities (see also Table EUTAX 41 in Annex EUTAX).

Alignment of activities with the taxonomy – Asset Managers

The key performance indicator for Asset Managers is defined as the ratio of assets under management related to taxonomy-aligned activities to total assets under management minus exposures to central governments, central banks and supranational issuers.

As at 31 December 2024, the denominator of this ratio was CZK 245.11 billion, which represents 99.06% of the Asset Managers' total assets under management.

The KPI for Asset Managers as at 31 December 2024 was 0.24% for the calculation based on the counterparty KPI for turnover (of which 0.24% towards the climate change mitigation target), 0.57% when using the KPI for CapEx (of which 0.57% towards the climate change mitigation target), see Annex EUTAX, Table EUTAX 42. This is an increase of 0.24% using the counterparty KPI for turnover and 0.57% for the CapEx KPI compared to the previous year. The increase compared to the previous year is mainly due to better quality of available data, while there were no significant changes in the composition of the portfolio.

The proportion of eligible assets under management is equal to 1.03% when using counterparty KPIs for turnover, 1.49% when using KPIs for CapEx. The majority of eligible assets under management relate to the climate change mitigation objective (calculated according to counterparty KPI for turnover, this is 1.02%, for CapEx it is 1.47%; the remainder relates to the climate change adaptation objective).

Due to the lack of detail in some of the internal data in terms of the categorisation of assets under management (mainly related to share certificates under management), it was not possible in all

[28] Taxonomy eligibility for this indicator is related to the following counterparty activities (activities already mentioned for taxonomy alignment are not listed): Electricity generation using solar photovoltaic technology (CCM 4.1), electricity generation using bioenergy (CCM 4.8), electricity transmission and distribution (CCM 4.9), construction of new buildings (CCM 7.1), renovation of existing buildings (CCM 7.2), acquisition and ownership of buildings (CCM 7.7), data processing and hosting activities (CCM 8.1), manufacture of electrical and electronic equipment (CE 1.2), collection and disposal of non-hazardous and hazardous waste (CE 2.3), sale of spare parts (CE 5.2), collection and disposal of hazardous waste (PPC 2.1).

cases to classify exposures according to whether they are financial or non-financial undertaking, whether they are based in the EU or outside the EU, etc. (see Table EUTAX 42 in Annex EUTAX). None of these exposures were assessed as taxonomy-eligible.

Following the new technical screening criteria that were published in 2023, the Asset Managers have also published the following data:

- the proportion of exposures eligible for the taxonomy under the new TSC to total assets under management as at 31 December 2024: 0% according to counterparty KPI for turnover and 0% as per the CapEx KPI of counterparties.
- the share of taxonomy-non-eligible exposures under the new TSC to total assets under management as at 31 December 2024: 2.55% according to counterparty KPI for turnover and 2.55% as per the CapEx KPI of counterparties.

Some of the Asset Managers' exposures were related to nuclear energy and fossil gaseous fuels – specifically, the securities of several non-financial undertakings and financial institutions that finance the activities in question[29]. See EUTAX Annex, Tables EUTAX 44–51.

The table below shows the proportion of taxonomy-aligned assets under management which are related to nuclear energy or fossil gases. In addition, the table shows the proportion of assets under management related to the taxonomy-aligned activities to the total volume of taxonomy-aligned assets under management.

Type of related activity	*Proportion of taxonomy-aligned assets under management to assets under management*	*Proportion of taxonomy-aligned assets under management to taxonomy-aligned assets under management*
Nuclear energy	0.04% * / 0.06% **	17.69% * / 10.32% **
Fossil gases	- %* / 0.03%**	- %* / 5.20%**

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

The table below shows the proportion of taxonomy-eligible but taxonomy-non-aligned assets under management related to nuclear power or fossil gases to assets under management. In addition, the table shows the proportions of taxonomy-non-eligible exposures related to nuclear energy or fossil gases compared to assets under management.

Type of related activity	*Proportion of taxonomy-eligible (but taxonomy-non-aligned) assets to assets under management*	*Proportion of taxonomy-non-eligible assets under management to assets under management*
Nuclear energy	0.00% * / 0.00% **	0.00%* / 0.00%**
Fossil gases	0.15% * / 0.34 % **	0.00%* / 0.00%**

** As per the Turnover KPI of the counterparty; ** As per the CapEx KPI of the counterparty*

Alignment of activities with the taxonomy – Non-financial Undertakings

Non-financial Undertakings disclose three main KPIs:

- KPI for turnover: the share of net turnover related to taxonomy-aligned activities in total net turnover;
- KPI for CapEx: share of capital expenditure related to taxonomy-aligned activities in total capital expenditure;
- KPI for OpEx: the share of operating expenditure related to taxonomy-aligned activities in total operating expenditure.

[29] These are the following activities as specified in EU Regulation 2021/2139: construction and safe operation of new nuclear power plants for the generation of electricity or heat, including for hydrogen production, using best-available technologies (4.27), and generation of electricity from nuclear energy in existing installations (4.28), electricity generation from fossil gaseous fuels (4.29), high-efficiency co-generation of heat/cool and power from fossil gaseous fuels (4.30), production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system (4.31).

Of the activities of Non-financial Undertakings, only the activities of Rustonka Development II s.r.o. were assessed as eligible for the taxonomy based on the description of activities in the Technical Screening Criteria Regulation, specifically:

- the lease and management of owned real estate – in EU Regulation 2021/2139 falling under section 7.7 "Acquisition and ownership of buildings" (in Annex I and II[30]) for turnover;
- "Renovation of existing buildings" as per section 7.2 in EU Regulation 2021/2139 (in Annex I and II) and section CE 3.2 in EU Regulation 2023/2486 (in Annex II) for capital expenditure; and
- the lease and management of owned real estate – in EU Regulation 2021/2139 falling under section 7.7 "Acquisition and ownership of buildings" (in Annex I and II) for OpEx.[31]

The above activities were not assessed as taxonomy-aligned due to conclusively meeting all criteria for a significant contribution to the objective of climate change mitigation (or adaptation).

Of the total turnover, 40.89% was classified as eligible for the taxonomy in 2024 in relation to the above economic activity. This is specifically rental income.

A total of 0% of the net turnover was assessed to be taxonomy-aligned for the reasons outlined above (as in 2023).

Further information on the composition of the KPI for turnover is provided in Annex EUTAX, Tables 52 and 53.

In terms of the CapEx KPI, a total of 87.82% of capital expenditure is eligible for the taxonomy. 0% of CapEx is taxonomy-aligned. This was the same value in 2023.

Further information on the key performance indicator for capital expenditure is provided in Annex EUTAX, Tables 54 and 55.

A total of 23.93% of operating expenditure can be classified as taxonomy-eligible.

The proportion of taxonomy-aligned OpEx is 0%, similar to the previous year. More detailed information on the KPI for OpEx is provided in Annex EUTAX, Tables 56 and 57.

The above shows that the proportion of taxonomy-aligned turnover, both CapEx and OpEx, is zero for each environmental objective.

More detailed data on the KPIs of Non-financial Undertakings are provided in Annex EUTAX, Tables EUTAX 52–56.

The turnover, CapEx and OpEx of Non-financial Undertakings do not relate to activities involving nuclear energy or fossil gas activities (see also Table EUTA 58 in Annex EUTAX).

Alignment of activities with the taxonomy – Summary

The Group also sets an aggregate key performance indicator of alignment with the taxonomy at Group level. This is a weighted average of the KPIs relevant to a given category of entities in the Group[32], where the weights are the share of the turnover of that category in the total turnover of the Group[33]. This indicator represents 0.62% in the case of KPIs based on the counterparty turnover KPI and 0.81% if it were the counterparty CapEx KPI.

[30] This economic activity can relate to two environmental objectives: climate change mitigation (CCM) and climate change adaptation (CCA).

[31] In particular building maintenance, elevator service, building cleaning, etc.

[32] For Credit Institutions: GAR – stock (see Annex EUTAX, Tables EUTAX 8 and 10); for Investment firms: KPI related to asset – stock (see Annex EUTAX, Tables EUTAX 39 and EUTAX 40); for Asset Managers: KPI relating to assets under management (see Annex EUTAX, Table EUTAX 42); for Non-financial Undertakings: KPI related to turnover and CapEx (see Annex EUTAX, Table EUTAX 52 and EUTAX 54).

[33] The weighting for Credit Institutions is 97.07%, for Investment Firms 0.05%, for Asset Managers 2.23% and for Non-financial Undertakings 0.63%. The values given are rounded to whole decimal places (the sum of the numbers given may therefore not add up to 100%).

Of this value, 0.60% relates to the climate change mitigation target and 0.02% to the climate change adaptation target (for turnover-based KPI; 0.71% and 0.10% for CapEx).

The proportion of activities eligible for the taxonomy is also set similarly[34], at 2.60% when considering counterparty KPIs for turnover and 4.27% when considering KPIs for CapEx.

In summary, the KPIs providing information on the proportion of exposures in the portfolio that could be considered environmentally sustainable are relatively low. This is influenced both by the Group's portfolio structure and business model, and by the fact that most of the exposures analysed for their alignment with the taxonomy are from companies that have so far collected ESG data to a limited extent or even not at all, and unfortunately the Group does not have relevant data that could be used for a more accurate assessment.

The Group had not set specific targets for published KPIs in 2024. However, it plans to continue to seek more relevant data from its existing and new counterparties. At the same time, the Group expects to expand the number of companies that will have to report on their environmental sustainability KPIs (due to changes in regulatory requirements). On the basis of these facts, it will probably be possible to assess a larger part of the portfolio (or turnover or capital and operating expenditure) in terms of its alignment with the taxonomy.

The Group does not currently consider environmentally sustainable activities in its business and investment strategy, in designing or adjusting its terms and conditions and product offerings, or in its cooperation with clients.

More detailed information, including data on the individual components of the KPIs (in the form of tables set out in EU Regulation 2021/2178 in the Annexes), is provided in Annex EUTAX. The Annex in question specifically contains the following tables:

- Table EUTAX 1: Summary of key performance indicators (KPIs) for 2024
- Tables EUTAX 2 and EUTAX 4: Assets for the calculation of the Green Asset Ratio (GAR) in 2024[35]
- Tables EUTAX 3 and EUTAX 5: Assets for the calculation of the Green Asset Ratio (GAR) in 2023
- Tables EUTAX 6 and EUTAX 7: Green Asset Ratio (GAR) – sector information for 2023
- Tables EUTAX 8 and EUTAX 10: KPI "Stock" for the Green Asset Ratio (GAR) for 2024
- Tables EUTAX 9 and EUTAX 11: KPI "Stock" for the Green Asset Ratio (GAR) for 2023
- Tables EUTAX 12 and EUTAX 13: KPI "Flow" for the Green Asset Ratio (GAR)
- Tables EUTAX 14 and EUTAX 15: KPI "Off-balance sheet exposures" "Stock"
- Tables EUTAX 16 and EUTAX 17: KPI "Off-balance sheet exposures" "Flow"
- Table EUTAX 38: Summary of KPIs to be disclosed by investment firms (IFs) pursuant to Article 8 of the Taxonomy Regulation for 2024
- Tables EUTAX 39 and EUTAX 40: KPI IF – trading services for own account
- Table EUTAX 42: Asset managers' key performance indicators for 2024
- EUTAX Tables 52 and 53: Percentage of turnover from products or services related to taxonomy-aligned economic activities – publication for 2024
- Tables EUTAX 54 and 55: Share of capital expenditure from products or services related to taxonomy-aligned economic activities – publication for 2024
- Tables EUTAX 56 and 57: Proportion of operating expenditure from products or services related to taxonomy-aligned economic activities – publication for 2024
- Tables EUTAX 18–37, 41, 43–51 and 58: Nuclear energy and fossil gas-related activities[36].

[34] Only instead of KPIs for alignment with the taxonomy, eligibility indicators for the taxonomy are used – the weights are the same.
[35] Most tables are reported twice – based on a KPI for turnover and a KPI for capital expenditure for the underlying assets.
[36] If certain types of entities do not carry out, finance, or have exposures (depending on the types of entities) to the activities listed in the table, templates 2–5 of Annex XII of EU Regulation 2021/2178 to the relevant KPIs are not published for these entities. In the case of Credit Institutions, exposures related to nuclear energy or fossil

General methodological assumptions

The procedures and assumptions set out below apply to the calculation of all published KPIs unless otherwise stated.

Entities/groups that are a business corporation, a public interest entity, a large accounting unit/large group of accounting units (within the meaning of Act No 563/1991 Coll. on accounting or other implementations of Directive 2013/34/EU in national legislative systems) and had an average of more than 500 employees in the given year are referred to as undertakings subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU.

Exposures to undertakings that are not subject to the obligation to disclose non-financial information under Articles 19a or 29a of Directive 2013/34/EU were determined on the basis of available information - in particular, the Group used the latest available data on the number of employees of the undertaking and whether it is an entity of public interest (i.e. in particular whether the entity has issued securities admitted to trading on a European regulated market).

Where a counterparty does not itself have a reporting obligation under Article 19a/29a of Directive 2013/34/EU[37], but is part of a group that discloses information under Article 29a of Directive 2013/34/EU, the counterparty is classified as an undertaking obliged to disclose non-financial information under Article 19a/29a of Directive 2013/34/EU, i.e. these exposures may be taxonomy-eligible or taxonomy-aligned. If the parent company's report also discloses the individual KPI of the counterparty, this KPI shall be used for the calculation. Otherwise, the KPI for the group in which the counterparty is a subsidiary is used, or the KPI for the group of entities[38] to which the counterparty belongs.[39]

The most recent data available were used to calculate the KPIs. If data relating to the current period are not available or if such data are unsuitable for the calculation of the own KPIs, the latest available data published in the previous year(s) are used. If even these data are not available or are inappropriate, the exposure cannot be considered taxonomy-eligible / taxonomy-aligned.

Alignment with the taxonomy, eligibility for the taxonomy and classification of exposure types is based on current knowledge and interpretation of applicable regulations and guidance documents by Group staff. The final interpretation takes into account in-house expertise and experience related to the ESG area.

The general procedure for assessing eligibility is as follows:

- if the use of the funds provided is known (e.g. under a loan agreement or according to a prospectus), eligibility for the taxonomy is determined by whether the activity financed matches the description of the activity in the regulations specifying the technical screening criteria (the NACE code of the activity is used indicatively in the assessment)[40]; the value of the exposure to the extent and in the range that it finances the activity is then taken into account as eligible for the taxonomy;
    - for 2024, all securities were assessed as having no known purpose unless clearly demonstrable otherwise;

fuels occur only for assets and assets under management, i.e. only the stock and assets under management GAR KPI breakdowns are disclosed for them.

[37] Including companies from third countries. The information on the location of the counterparty is used to determine whether the counterparty is an EU or a third-country undertaking.

[38] For example, if the parent company discloses KPIs for non-financial undertakings, credit institutions or other groups of entities in addition to the aggregate KPI.

[39] If it is explicitly stated that the company is not included in the group KPI, the group KPI will not be used, i.e. the eligibility and alignment value of the counterparty will be zero.

[40] In the case of households, only those exposures related to activities described in Sections 6.5, 7.1, 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7 of Annex I (or Annex II) of EU Regulation 2021/2139 or Sections 3.1 and 3.2 of Annex II of EU Regulation 2023/2486 are considered eligible.
In the case of foreclosed real estate collateral, only those exposures related to the activities described in Section 7.7 of Annex I to EU Regulation 2021/2139 are considered eligible.
In the case of managed assets, only exposures relating to equity and debt instruments or real estate may be considered eligible.

- if the use of the funds provided is not known:
    - if a counterparty turnover or CapEx eligibility indicator for the taxonomy is available (or, for financial corporates, a similar eligibility indicator for the taxonomy)[41], the exposure value is multiplied by that indicator;
    - if no counterparty KPI is known and these data cannot be obtained even by direct communication with the counterparty – the exposure is considered to be taxonomy-non-eligible.

The general procedure for determining the consistency of an exposure with the taxonomy is described below:

- where the use of the funds provided is known, alignment with the taxonomy is determined by whether the taxonomy-eligible activity meets the requirements set out in the technical screening criteria (including not causing material damage) and the counterparty meets the minimum safeguards; the value of the exposure to the extent and in the range that it finances the given activity, is assessed as in line with the taxonomy;
- if the use of the funds provided is not known:
    - if a key performance indicator is available for the taxonomy alignment of the counterparty's turnover or CapEx (or, for financial undertakings, another indicator of taxonomy alignment), the exposure value is multiplied by that indicator;
    - if no indicator is known – exposure is not taxonomy-aligned.

The assessment of taxonomy eligibility and taxonomy alignment for Non-financial Undertakings is similar to that for exposures with known revenue use. Additional information is provided in the section on the calculation of the KPIs of these entities.

For exposures, a look-through approach is generally applied, i.e. eligibility for or alignment with the taxonomy is determined on the basis of an analysis of the main beneficiary of the funds provided or the underlying assets. An exception occurs in the case of SPVs (special purpose vehicles), repos, share certificates and managed assets[42], where all exposures have been conservatively categorised as taxonomy-non-eligible due to lack of data.

Additional assumptions and simplifications regarding the evaluation of taxonomy eligibility/alignment that are only relevant for certain exposure types for each category of entities in the Group are provided in the following sections under the description of the procedure for calculating the KPIs of the entities.

Both alignment with the taxonomy and eligibility for the taxonomy are always assessed only with respect to one of the environmental objectives (except for Non-financial Undertakings, see below). In order to avoid double counting, where the same exposure is relevant for two or more environmental objectives, the exposure is only assigned to the environmental objective identified as more relevant based on information from the counterparty or expert judgement.

In the case of unknown use of proceeds, information on the alignment of counterparties' activities with the taxonomy comes from various systems (e.g. Bloomberg), from clients (e.g. via an ESG questionnaire) and from publicly available sources (e.g. annual reports - from the previous year in case data for 2024 is not available).

In the case of a known use of proceeds (as per the loan documentation), the decision whether the activity is taxonomy-eligible and taxonomy-aligned is based on information from counterparties (obtained from publicly available reports, ESG questionnaire used within the Group, or direct contact

[41] For the assessment of both eligibility and alignment, the available indicator that provides the most relevant and representative view of the actual activity of the counterparty being financed is always used. If the indicator is not known for a given counterparty but is available for the group to which the counterparty belongs (i.e. non-financial information is reported by the parent company), the information published by the nearest reporting parent company is used.
In the event a counterparty is engaged in more than one activity (i.e. reports KPIs in relation to more than one type of business according to EU Regulation 2021/2178), its weighted KPIs (i.e. the KPIs of individual activities multiplied by the share of the counterparty's turnover) are used in the calculation.
If the counterparty is a financial undertaking, the calculation will use its taxonomy-eligibility/taxonomy-alignment ratio calculated in accordance with the answer to Question 4 in the Third Commission Notice.
[42] This refers to KPIs for Credit Institutions and Asset Managers.

with the counterparty) or on internal expert judgement in case of insufficient or unreliable data. The exposures that were, as at 31 December 2024, classified as taxonomy-eligible/taxonomy-aligned, were in most cases evaluated based on information from publicly available sources.

Some of the tables in the Annex EUTAX further divide exposures according to whether they can be characterised as:

- exposures related to supporting activities: these are activities that directly enable other activities to contribute significantly to at least 1 of the environmental objectives, have a positive impact on the environment with respect to the life cycle, while not compromising the achievement of the long-term environmental objectives[43] – these activities are identified through their description in the regulations specifying the technical screening criteria (e.g. by the phrase "*an activity falling under this category is a supporting activity*");
- exposures related to transitional activities: these are activities for which there is no technologically and economically available low-carbon alternative and which also make a significant contribution to climate change mitigation and support the transition to a climate-neutral economy[44] – these activities are identified through their description in the regulations specifying the technical screening criteria (e.g. by the phrase "*an activity falling under this category is a transitional activity*");
- exposures with known use of proceeds: these are exposures where the use of the funds provided is known (e.g. under a contract) - these exposures are identified on the basis of internal sources.

The figures in the tables in Annex EUTAX are presented at gross book value (i.e. before deduction of depreciation, amortisation, etc.) determined in accordance with the relevant IFRS standards.

The assets used in the calculation of the ratios represent the contributions of each group of entities (i.e. Credit Institutions, Investment Firms, Asset Managers and Non-financial Undertakings) to total consolidated assets. Intra-group exposures and other intra-group transactions (in terms of the Group's prudential[45] consolidation for Financial undertakings, and in terms of accounting consolidation for non-financial undertakings) are not included in the ratios (in the numerators or denominators of the individual KPIs).

The exchange rate used for the conversion of stock exposures in other currencies into CZK is the exchange rate as at 31 December of the reference year. In the case of flow, the exchange rate at the date of exposure is used to calculate the value of new exposures in CZK.

No estimates are used in the calculation of KPIs.

Procedure for calculating individual KPIs – Credit Institutions

The GAR for Credit Institutions is calculated using the following formula:

$$\textbf{GAR} = \frac{\text{Gross carrying amount of loans and other receivables, debt securities, equity instruments and foreclosed collateral,}^{46}\text{ which finance taxonomy-aligned economic activities}}{\text{Total assets included}}$$

[43] The full definition is set out in Article 16 of EU Regulation 2020/852.
[44] The full definition is set out in Article 10(2) of EU Regulation 2020/852.
[45] Intra-group exposures to entities included in the accounting consolidation of the Group, but not prudential, are included in the indicators of Financial undertakings.

The following types of assets are not included in the total included assets, which represent the denominator of the GAR:

- exposures to central governments, central banks and supranational issuers;
- financial assets held for trading (i.e. the trading portfolio).

The following items are not included in the numerator of the GAR (i.e. they are not assessed for taxonomy alignment or taxonomy eligibility):

- exposures to central governments, supranational issuers and central banks[47];
- derivatives[48] [49];
- financial assets held for trading (i.e. the trading portfolio)[50];
- interbank loans on demand[51];
- exposures to undertakings that are not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU (however, exposures to households and local governments with known use of revenues are included in the numerator of the indicator);
- cash and cash-related assets[52];
- other assets for which consistency with the taxonomy cannot be assessed (e.g. goodwill, commodities).

The KPIs for off-balance sheet exposures at Credit Institutions are calculated separately for financial guarantees provided in support of loans and other receivables and debt securities and for assets under management. Other off-balance sheet exposures are not included in the KPIs.

In the case of the calculation of KPIs for financial guarantees, exposures to central governments, central banks and supranational issuers are not included in the denominator.

The following items are not included in the numerator of the KPIs for financial guarantees:

- exposures to undertakings not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU48
- derivatives;
- exposures to central governments, central banks and supranational issuers48.

In the case of assets under management with Credit Institutions, exposures to central governments, central banks and supranational issuers are not included in the calculation of KPIs.

The following items are not included in the numerator of the KPIs for assets under management:

- exposures to undertakings not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU48
- derivatives;

[47] Exposures to central governments, central banks and supranational issuers in the investment portfolio consist mainly of government bonds of the Czech Republic, the Slovak Republic and other EU countries and claims on the CNB, NBS, HND and DBB.
[48] Except in the case of exposures related to debt securities that are considered environmentally sustainable. The Group considers such debt securities to be those instruments issued in accordance with EU Regulation 2023/2631 (the European Green Bond Regulation). In order to avoid double counting, the KPI of the counterparty is adjusted for these environmentally sustainable debt securities when calculating compliance with the taxonomy for exposures with no known use of proceeds.
[49] Exposures from non-trading derivatives are considered to be the positive fair values of derivatives on the investment portfolio (i.e. without netting). Derivatives relating to central governments, central banks and supranational issuers are included in the line for exposures to these counterparties.
[50] Exposures to central governments, central banks and supranational issuers that are part of the trading portfolio are included in the asset value line for the counterparties concerned. Derivatives that are part of the trading book are included in the derivatives value line.
[51] Demand interbank loans are considered to be deposits in current accounts with other banks primarily for correspondent banking and brokerage services.
[52] It includes banknotes and coins in domestic and foreign currency, valuables and other cash values (e.g. values in transit or in official custody, other precious metals, postage stamps, stamps and stamped forms). It does not include gold.
Cash at central banks would be included in exposures to central banks, but Credit Institutions do not currently have such exposures.

- cash and cash-related assets;
- other assets for which consistency with the taxonomy cannot be assessed (e.g. goodwill, commodities).

Eligibility for and alignment with the taxonomy were assessed separately for Credit Institutions for exposures to individuals, local governments and corporates that report non-financial information under Articles 19a or 29a of Directive 2013/34/EU in the investment portfolio.

Loans to counterparties reporting information under Article 19a/29a of Directive 2013/34/EU with known use of proceeds represented approximately 1.08% of the total loan volume as at 31 December 2024. The Group thoroughly assessed the taxonomy alignment of these loans, focusing on the largest ones, and found that none were taxonomy-aligned due to non-compliance with DNSH criteria. The remaining loans with known use of proceeds were not assessed for taxonomy alignment due to their low significance relative to the total portfolio volume (i.e., they may only be taxonomy-eligible but not taxnonomy-aligned).

Clarification on the classification of certain items:

- all loans to individuals are included in the "Households" row (e.g. row 24 in Annex EUTAX, Table EUTAX 2);
- due to the nature of the counterparties, all Loans and other receivables on Credit Institutions are included in the row "Loans and other receivables" for undertakings subject to the disclosure obligation under Article 19a/29a of Directive 2013/34/EU (e.g. row 4 in Annex EUTAX, Table EUTAX 2) even if the applicability of this obligation could not be verified for some counterparties; however, none of these exposures or any part of them were classified as taxonomy-eligible (i.e. not even taxonomy-aligned) and this simplification therefore does not lead to a potential overstatement of the disclosed KPIs;
- all loans and other receivables on Financial Undertakings other than Credit Institutions (see above) that are not subject to the disclosure requirements of Article 19a/29a of Directive 2013/34/EU are included in the row "Loans and other receivables" for undertakings not subject to the disclosure requirements of Article 19a/29a of Directive 2013/34/EU (e.g. row 35 in Annex EUTAX, Table EUTAX 2);
- all loans and other receivables from SPVs are included in the row "Loans and other receivables" for undertakings not subject to the disclosure requirements of Article 19a/29a of Directive 2013/34/EU (e.g. row 35 in Annex EUTAX, Table EUTAX 2);
- all repo operations are included in the row "Loans and other receivables" for undertakings not subject to the disclosure requirements of Article 19a/29a of the Directive (e.g. row 35 in Annex EUTAX, Table EUTAX 2), "Households" (row 24) or "Loans and other receivables" for non-EU undertakings (row 41);
- loans for the purchase of securities are included in the row "Loans and other receivables" for undertakings not subject to the disclosure requirements of Article 19a/29a of Directive 2013/34/EU (e.g. row 35 in Annex EUTAX, Table EUTAX 2);
- assets under management (e.g. row 55 in Annex EUTAX, Table EUTAX 2) include other types of exposures in addition to debt securities and equity instruments, e.g. cash, bills of exchange, etc.

In addition, the following simplifying assumptions were used in calculating the value of the Credit Institutions' flow indicators:

- the determination of whether an exposure is a new exposure incurred during the reference period is based on the date of origination for Loans and other receivables (including margin trades, overdrafts, etc.); the value of new exposures is determined as the gross carrying amount at the provision date[53];
- for debt securities and equity instruments, the value of new exposures shall be the product of the increment in units (purchases) and the gross carrying value of the instrument at the date the instruments are recorded on the balance sheet; in the case of assets under management, for debt securities and equity instruments, the value of new exposures shall

[53] Newly granted exposures that have been repaid during the reference year do not enter into the calculation of flow indicators.

be the product of the increment in units (difference between the end of the current and the previous reference period) and the gross carrying value of the instrument at the end of the reference period;

- due to their nature, the following exposure types are considered as newly incurred exposures during the reference period and their status at the end of the reference period:
    - interbank demand loans and exposures to credit institutions that are not loans,
    - derivatives,
    - cash and cash-related assets,
    - other assets for which consistency with the taxonomy cannot be assessed (e.g. goodwill, commodities),
    - exposure in the trading portfolio,
    - exposure to central banks[54].

The NACE code used within Tables EUTAX 6 and EUTAX 7 (see Annex EUTAX) refers to the main activity of the counterparty that received the financing. The NACE code relating to the specific activity financed (where the use of the proceeds is known) is not taken into account. That is, there may be cases where, although the counterparty's main activity falls under a NACE code not mentioned in the regulations specifying the technical screening criteria, part of the exposures to it are classified as taxonomy-eligible or taxonomy-aligned. Where the exposure involves more than one entity, the NACE code of the main activity of the counterparty that was more significant or decisive in the decision to grant the exposure shall be indicated in the table.

The exposure values are further broken down in the tables according to whether or not they are Non-financial Undertakings subject to the obligation to disclose non-financial information under Articles 19a or 29a of Directive 2013/34/EU. As the Credit Institutions do not currently have any exposures to financial corporations that could be considered eligible for the taxonomy, financial corporations are not included in this table.

Procedure for calculating individual KPIs – Investment Firms

The Green Asset Ratio for Investment Firms is calculated as the share of assets related to taxonomy-aligned activities within total assets invested for own account after excluding exposures to central governments, central banks and supranational issuers.

The following items are not included in the numerator of the KPI (i.e. they are not assessed for taxonomy alignment or taxonomy eligibility):

- exposures to undertakings that are not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU
- exposures to central governments, central banks and supranational issuers;
- derivatives.

Eligibility for the taxonomy and alignment with the taxonomy should be assessed separately for proprietary trading and trading on behalf of clients - however, Investment Firms currently only invest on their own behalf.

Procedure for calculating individual KPIs – Asset Managers

The key performance indicator for the Asset Manager is the proportion of assets[55] under management related to taxonomy-aligned activities relative to total assets[56].

Figures are presented at gross book value excluding netting.

[54] As all exposures to central governments and supranational issuers consisted only of debt securities, this category of exposures is treated in the same way as debt securities of other types of counterparties.
[55] These are the assets under management of the entities in question, relating to both collective and individual portfolio management.
[56] For the reasons set out below, exposures to central governments, central banks and supranational issuers are not excluded from the denominator.

The following items would be excluded from the numerator of the Asset Managers' KPI (i.e. these exposures may not be taxonomy-eligible or taxonomy-aligned):

- exposures to undertakings that are not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU
- exposures to central governments, central banks and supranational issuers;
- derivatives.

In the event that a type of entity within the Group other than an Asset Manager purchases Asset Managers' assets under its management for the client's portfolio, the value of those assets is included within the assets managed by the Asset Managers.

Considering that in some cases detailed data was not available, as mentioned in the description of the KPI for the Asset Manager, conservatively such exposures are considered neither taxonomy-eligible nor taxonomy-aligned (they remain in the denominator of the indicator though).

The Group plans to further focus on increasing the availability of reliable data at Asset Managers in 2025 and to adjust existing procedures to ensure that the necessary data is consistently recorded in internal systems.

Procedure for calculating individual KPIs – Non-financial Undertakings

The turnover-related key performance indicator for Non-financial Undertakings is calculated as the ratio of net turnover[57] arising from products or services (including intangible assets) related to taxonomy-aligned activities to total net turnover.

The key performance indicator related to CapEx is defined as the ratio of capital expenditure[58], which relates to assets or processes associated with taxonomy-aligned activities, to total capital expenditure.[59]

The OpEx related KPI represents the proportion of operating expenditure[60] related to assets or processes related to taxonomy-aligned economic activities, relative to total operating expenditure.

In calculating the KPIs for turnover, CapEx, and OpEx for selected Non-Financial undertakings (e.g., funds), a conservative simplifying assumption is used that if none of an entity's activities are taxonomy-aligned (or taxonomy-eligible), then neither will its turnover, capital, or operating expenditures be considered taxonomy-aligned (or taxonomy-eligible).

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[57] The amount of net turnover is determined in accordance with the relevant IFRS standards. Specifically, these are the following accounting items: interest income calculated using the effective interest rate method, other interest income, fee and commission income, net trading and investment income, and other operating income. If the turnover of a particular activity is negative, it is not included in the calculation of the indicator (i.e., all positive values after netting are included). Net turnover also does not include turnover associated with internal consumption.

[58] Capital expenditure refers to the additions to tangible or intangible assets in the period before depreciation, amortisation and any revaluation, calculated in accordance with the relevant IFRS standards. Specifically, these items are listed as additions (from acquisitions) to property and buildings, inventory and equipment and assets with right of use in the table Long-term Tangible Assets and Long-term Intangible Assets and Goodwill and Investment in Property Included in the Consolidated Financial Statements. Leases that do not give rise to a right to use the asset are not considered capital expenditure.

[59] In addition to CapEx/OpEx related to taxonomy-aligned activities, the numerator could also include CapEx/OpEx that are part of a capital expenditure plan, i.e. a plan to increase the amount of taxonomy-aligned activities (either through new activities or by meeting taxonomy alignment criteria for taxonomy-eligible activities), according to EU Regulation 2021/2178. However, Non-financial Undertakings are not currently developing such a plan.

Similarly, the numerator could include CapEx/OpEx related to the purchase of output of taxonomy-aligned activities and measures that enable GHG emission reductions or conversion to sustainable activities (for a complete definition, see chap. 1.1.2.2 in Annex I of EU Regulation 2021/2178), but based on the available data, Non-financial Undertakings are not aware of such expenditure.

[60] Operating expenditure for the purposes of reporting under EU Regulation 2021/2178 includes direct non-capitalised costs associated with research and development, building renovation, short-term rentals, maintenance and repairs, and any other direct expenditure related to the day-to-day maintenance of assets (buildings, land or equipment).

As Non-financial Undertakings do not issue green bonds or similar financial instruments[61], they do not disclose separate KPIs adjusted for the share of these instruments.

Only internal data of the Non-financial Undertakings or the Group are used to assess eligibility for the taxonomy and alignment with the taxonomy.

In case the activities of one Non-Financial Undertaking are related to more than one economic activity, the turnover/CapEx/OpEx is assigned to a specific activity according to the specific business area or project to which the turnover/CapEx/OpEx relates. If this information is not available, expert judgement is used based on accounting evidence about the entity collected at Group level - items that cannot be reliably classified are allocated to a taxonomy-non-eligible activity.

The eligibility of each activity for the taxonomy is determined by whether the activity matches the activity description in the regulations specifying the technical screening criteria. Only activities that have been classified as eligible are subsequently assessed for alignment with the taxonomy.

The financial services provided would only be considered eligible if they were activities related to non-life insurance (specifically underwriting climate-related risks) or reinsurance (specifically covering climate-related risks).

For each eligible activity, an expert assessment is made, based on the criteria set out in the technical screening criteria, as to whether the activity:

- contributes significantly to at least one of the environmental objectives, and also
- does not significantly harm any of the environmental objectives.

The principle is that if an activity is taxonomy-eligible or taxonomy-aligned under more than one environmental objective, the environmental objective that is considered most relevant is expertly determined and only this is counted in the calculation of aggregate indicators (to avoid double counting of the activity). This objective is then indicated in bold on the relevant row in the tables (i.e. in Annex EUTAX, Tables EUTAX 52, EUTAX 54 and EUTAX 56, it may be indicated on one row that the activity is taxonomy-eligible / taxonomy-aligned in terms of multiple environmental objectives).

In calculating the KPIs for turnover, CapEx, and OpEx, the following simplifying conservative assumptions are used due to data limitations:

- a detailed analysis of the individual items of turnover, CapEx and OpEx in terms of related activities and their eligibility and alignment with the taxonomy has been carried out for 2024 only for the entity Rustonka Development II s.r.o.;
- if any of the activities of other non-financial undertakings are taxonomy-eligible, only the corresponding share of its turnover can be declared eligible (CapEx and OpEx are always conservatively considered non-eligible);
- if none of other non-financial undertakings' activities are taxonomy-compliant (or taxonomy-eligible), then neither will its turnover or CapEx and OpEX be considered taxonomy-compliant (or taxonomy-eligible).

The fulfillment of minimum safeguards[62], which is a prerequisite for classifying activities as taxonomy-aligned, is currently not fully demonstrable for Rustonka Development II s.r.o. or other Non-financial undertakings (the Group assesses the fulfillment of minimum safeguards against a detailed list of specific requirements arising from relevant international standards). However, this does not affect the evaluation outcome since no activities were identified that meet the technical screening criteria.

[61] These are such instruments that would be identified as taxonomy-aligned.
[62] I.e., following the rules specified in the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the UN International Bill of Human Rights Human Rights).

The following tables are provided in the "Annexes" of the consolidated sustainability report:

- Table EUTAX 1: Summary of key performance indicators (KPIs) for 2024
- Table EUTAX 2: Assets for the calculation of the Green Asset Ratio (GAR) in 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 3: Assets for the calculation of the Green Asset Ratio (GAR) in 2023 (as per the Turnover KPI of counterparties)
- Table EUTAX 4: Assets for the calculation of the Green Asset Ratio (GAR) in 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 5: Assets for the calculation of the Green Asset Ratio (GAR) in 2023 (as per the CapEx KPI of counterparties)
- Table EUTAX 6: Green Asset Ratio (GAR) – industry information for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 7: Green Asset Ratio (GAR) – industry information for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 8: KPI "Stock" for the Green Asset Ratio (GAR) for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 9: KPI "Stock" for the Green Asset Ratio (GAR) for 2023 (as per the Turnover KPI of counterparties)
- Table EUTAX 10: KPI "Stock" for the Green Asset Ratio (GAR) for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 11: KPI "Stock" for the Green Asset Ratio (GAR) for 2023 (as per the CapEx KPI of counterparties)
- Table EUTAX 12: KPI "Flow" for the Green Asset Ratio (GAR) for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 13: KPI "Flow" for the Green Asset Ratio (GAR) for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 14: KPIs "Off-Balance Sheet Exposures" "Stock" for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 15: KPIs "Off-Balance Sheet Exposures" "Stock" for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 16: KPIs "Off-Balance Sheet Exposures" "Flow" for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 17: KPIs "Off-Balance Sheet Exposures" "Flow" for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 18: Activities related to nuclear energy and fossil gas – Credit institutions: KPI "Stock" for the Green Asset Ratio for 2024
- Table EUTAX 19: Taxonomy-non-eligible economic activities (denominator) – Credit institutions: KPI "Stock" for the Green Asset Ratio for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 20: Taxonomy-non-eligible economic activities (denominator) – Credit institutions: KPI "Stock" for the Green Asset Ratio for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 21: Taxonomy-eligible economic activities (numerator) – Credit institutions: KPI "Stock" for the Green Asset Ratio for 2024 (as per the Turnover KPI of counterparties)
- Table EUTAX 22: Taxonomy-eligible economic activities (numerator) – Credit institutions: KPI "Stock" for the Green Asset Ratio for 2024 (as per the CapEx KPI of counterparties)
- Table EUTAX 23: Taxonomy-eligible but taxonomy-non-aligned economic activities – Credit institutions: KPI "Stock" for the Green Asset Ratio for 2024 (as per the Turnover KPI of counterparties)
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ESRS E1: Climate change

E1-1: Transition plan for climate change mitigation

Currently, the Group does not have a transition plan in place, as outlined in ESRS E1-1. The Group is aware of the importance of a comprehensive strategy for addressing environmental sustainability and is committed to initiating this process. In 2024, the Group evaluated climate change risk impacts for the first time as part of the double materiality assessment and is considering options for managing these impacts and risks. The Group's efforts to date have focused on the energy efficiency of all its buildings. Further options will now be considered based on a comprehensive greenhouse gas emissions inventory completed in 2024.

The Group's current plan is to map greenhouse gas emissions from 2024 and, based on this information, begin preparing a transition plan in 2025. Since such a transition plan has never been prepared before, it is currently not possible to predict the content and timing of any potential transition plan.

The Group is not excluded from the EU Paris-aligned Benchmarks.

SBM-3 to E1: Material impacts, risks and opportunities and their interaction with strategy and business model

As part of the double materiality assessment, actual and potential physical and transition climate-related risks were evaluated, see section SBM.3. Climate-related risks associated with the Group's strategy and business model pertain to loans and investments and are described in this section of the report.

Significant risks and opportunities in terms of climate change that affect various parts of the core activities have been identified. These risks are also described above.

Approach to identifying impacts from loans and investments

The Group conducted an assessment of its impacts and risks arising from its lending activities and investments using the guidelines and tools of the UNEP FI initiative.

The United Nations Environment Programme Finance Initiative (UNEP FI) is a partnership between the United Nations Environment Programme (UNEP) and the global financial sector. Its aim is to promote sustainable finance by encouraging financial institutions to integrate environmental, social, and governance (ESG) considerations into their operations. UNEP FI works with banks, insurers, and investors to develop and implement frameworks and tools that support the Sustainable Development Goals (SDGs). Through various initiatives, UNEP FI seeks systemic changes in the financial sector that support a more resilient and inclusive global economy.

One of the key tools developed by UNEP FI is the Portfolio Impact Analysis Tool for Banks; it is designed to help banks identify and assess the environmental and social impacts of their lending portfolios. The tool operates on an iterative input-output workflow based on the UNEP FI Holistic Impact Methodology. Banks input data about their portfolios, which the tool then analyzes using embedded impact maps. The output consists of impact profiles by business area, helping banks identify their most significant impact areas and prioritize strategy development and goal setting.

Scope of the resilience analysis of the strategy and business model in relation to climate

The Group's strategy and business model were assessed in terms of physical and transition climate-related risks, both from its own operations and in terms of potential risks in the supply chain and risks within the credit and investment portfolio.

No part of the own operations or any part of the value chain was excluded from the assessment. All physical climate-related risks and transition risks were considered, as described in Application Requirements 11 and 12 of ESRS E1.

Resilience analysis of the strategy and business model in relation to climate

The resilience analysis was conducted in the last quarter of 2024.

For the purposes of the analysis, four key locations were included in the assessment: the Czech Republic, Slovakia, Croatia, and Germany.

The Group also assessed the supply chain and believes that there are no significant climate-related risks within it. Most suppliers are local (i.e., within the Czech Republic and Slovakia) and provide consulting and IT services. The Group did not identify any significant dependencies in its supply chain.

In the downstream part of the value chain, which includes loans and investments, physical and transition climate-related risks were assessed.

Results of the resilience analysis of the strategy and business model in relation to climate

Based on the available information on the Group's risk exposure and its strong capital position, the internal expert team concludes, in line with the internal analysis, that the Group's strategy and business model is resilient to significant impacts and risks in the short-term time horizon up to 2030. For the medium-term (up to 2040) and long-term (up to 2050) time horizons, the Group does not yet have sufficient accurate information to assess the effects of significant risks on its business model and strategy.

The Group anticipates that, if necessary, it will be able to ensure continuous access to financing at an acceptable cost of capital at least until 2030. Financing depends on both shareholders' equity and deposits, as well as other money market financing, which is expected to be available.

We do not anticipate having to relocate, modernize, or decommission any assets within the Group by 2030.

E1-2: Policies related to climate change mitigation and adaptation

The Group does not have a policy in place for mitigating climate change impacts and risks. The Group plans to implement this policy in 2025; the ESG Manager will be responsible for its implementation.

The principles that the Group plans to introduce relate to the following areas:

- Climate change mitigation;
- Climate change adaptation;
- Energy efficiency; and
- Renewable energy deployment.

E1-3: Actions and resources in relation to climate change policies

The Group has not yet taken action on climate change beyond the energy measures mentioned below, but has taken the following steps.

1. The Group expanded its greenhouse gas emissions calculations in 2024 to cover the entire Group.
2. In 2024, the Group assessed physical and transition climate-related risks for its own operations and value chain (primarily loans and investments) for the first time.
3. The Group began an inventory of energy costs and sources.
4. In 2024, the Group established an ESG team to manage and monitor progress in climate change mitigation and adaptation.

The Group does not yet have information on the monetary amounts of capital and operational expenditures necessary for the implementation of accepted and planned measures.

Energy

Energy-efficient practices and technologies are being continuously implemented in branches and offices, and energy consumption is regularly monitored. The ESG Manager is responsible for implementing these measures.

E1-4: Targets related to climate change mitigation and adaptation

The Group has not yet developed targets for reducing greenhouse gas emissions or for other significant climate-related impacts, risks, and opportunities. The Group has not yet completed its greenhouse gas analysis and therefore cannot set targets for reducing greenhouse gas emissions; it will set targets along with the development of its transition plan by 2026 at the latest.

E1-5: Energy consumption and mix

The total energy consumption related to its own operations is provided below:

Energy consumption and mix	*2024*
1) Fuel consumption from coal and coal products (MWh)	-
2) Fuel consumption from crude oil and petroleum products (MWh)	324.2620
3) Fuel consumption from natural gas (MWh)	1,481.1333
4) Fuel consumption from other fossil sources (MWh)	-
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	1,392.9475
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	3,198.3428
Share of fossil sources in total energy consumption (%)	72.11
7) Consumption from nuclear sources (MWh)	1,029.6025
Share of consumption from nuclear sources in total energy consumption (%)	23.21
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	207.2585
10)´The consumption of self-generated non-fuel renewable energy (MWh)	-
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	207.2585
Share of renewable sources in total energy consumption (%)	4.67
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)	4,435.2038

The Group does not operate in a high climate impact sector and therefore does not have revenues associated with such sectors.

Based on EU Regulation 2021/2139 and Regulation EC 1893/2006 and EFRAG specifications, the Group, as a credit institution, does not assess the sectors of the financed portfolio for the purposes of this reporting.

E1-6: Gross Scopes 1, 2, 3 and total GHG emissions

GHG emissions

As part of the Group's efforts to manage and reduce greenhouse gas emissions, procedures have been aligned with the GHG Protocol and the standards of the Partnership for Carbon Accounting Financials (PCAF) – the PCAF methodology is incorporated into the assessment and disclosure of emissions associated with credit and investment portfolios.

At the organizational level, reported greenhouse gas (GHG) emissions are divided into the following categories:

- Scope 1: Direct emissions from the Group's activities;
- Scope 2: Indirect emissions resulting from the consumption of purchased electricity, steam, heat and cold; and
- Scope 3: Indirect emissions arising throughout the Group's value chain, from both suppliers and customers, and which are not included in Scope 1 and 2 emissions.

To disclose the carbon footprint for assets under management, the Group has considered the provisions of ESRS E1.44 and 51, the GHG standard and the PCAF methodology and has decided not to disclose this part of the carbon footprint.

The group mainly includes the following greenhouse gases in the calculation: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), sulphur hexafluoride (SF_6), nitrogen trifluoride (NF_{F3}), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs). The final range of GHGs included depends on available emission factors or counterparties' carbon footprint data.

Emissions of these gases are expressed in CO_2 equivalent (CO_2eq) based on their global warming potential over a 100-year time horizon. Global warming potential (GWP) values are derived from the Intergovernmental Panel on Climate Change (IPCC) Fourth, Fifth or Sixth Assessment Reports (AR4, AR5 or AR6) in accordance with the methodological decisions of the publishers of the emission factors used in this report.

The Group uses a systemic organisational approach to determine GHG emission limits, where the carbon footprint limits are defined by the operational control approach and therefore include all operations over which the Group has full operational control.

Intra-group exposures are not included in the calculations to avoid double counting.

The Group used the following methodologies, assumptions and emission factors in calculating GHG emissions:

Area	*Explanation*	*Reason for use*	*Reference*
Methodologies used	GHG Protocol, PCAF methodology	International standards	Homepage | GHG Protocol Enabling financial institutions to assess and disclose greenhouse gas emissions associated with financial activities
Material assumptions	Emission factors Estimates and extrapolations	GHG emissions were calculated using emission factors rather than direct measurement. Emission factors need to be appropriately selected for each transaction / counterparty / customer, and sometimes the information is insufficient. In some cases, due to incomplete information, it was necessary to estimate and extrapolate information to ensure full coverage.[63]	

[63] In particular, this involves using information from the previous year if information for 2024 was not available (e.g. in the case of the calculation of category 15, where the Group mostly only had data from the 2023 financial

Emission factors used	See below	For each activity, the Group selected the most suitable and locally available emission factor. In addition to considering locality and relevance, other factors such as the availability of emission factors and the need for consistency in the selection of emission factor publications throughout the document were also considered.	Ministry of the Environment Eora66 MRIO Factor Set IEA Factor Set AIB European Residual Mix Ministry of Industry and Trade Department for Environment, Food and Rural Affairs DEFRA Eurostat PCAF EXIOBASE
Exceptions	Certain greenhouse gas emissions data are excluded.	The reason for the exclusion of certain categories of Scope 3 GHG emissions is their negligible size compared to the total amount of GHG emissions.	

Scope 1 and 2 emissions:

To streamline the process, the IBM Envizi software tool was implemented at the Group level to automate data collection, apply emission factors from an integrated library and monitor progress on decarbonisation plans in the future.

Scope 1 emissions cover direct emissions from our operations, including fossil fuel consumption from stationary and mobile sources and refrigerant leakage; Scope 2 emissions cover indirect emissions from the production of purchased electricity, heat, steam and cooling.

As part of the Scope 1 emissions data collection, data on fossil fuel consumption (mainly gasoline, diesel and natural gas) and volume of refrigerant added (e.g. HCFC-22/R2, CFC-11/R11, R134a and R410A) were collected. Based on these data, emissions were calculated as CO_2eq using standardised emission factors from DEFRA (fossil fuel emission factors) and IPCC (AR 6 GWP values for refrigerant leakage) databases, with conversion factors and energy content factors (NCV/GCV) also taken into account for accurate conversions of fuels consumed. Emission factors for electricity, heat, steam and cold were obtained through an internal software system and external databases (these are emission factors from DEFRA, Eora66, IPCC databases). The emission factors for each data type are automatically updated annually in the internal software.

Two approaches were applied to calculate the indirect Scope 2 emissions resulting from the consumption of purchased electricity, steam, heat and cold in accordance with the GHG Protocol methodology. The location-based approach uses average emission factors corresponding to the energy mix in the region, allowing for differences in the emission intensity of power, heat and cooling production at different geographical levels. The market-based approach reflects specific contractual agreements for the purchase of energy, heating and cooling and takes into account the share of renewable sources evidenced through certificates such as RECs or GoOs.

To determine the level of uncertainty in the estimated values, a methodology was applied that focuses on the analysis of variability of emission factors, evaluation of the quality of input data and calculation of confidence intervals. The variability of emission factors is investigated taking into account differences in regional energy mixes, different methodologies in databases (e.g. DEFRA, Eora66, IPCC) and geographical specificities. The quality assessment of the input data includes an analysis of the accuracy of the measurements, the completeness of the information collected and

statements and sustainability reports). In this case, the Group assumes that the data for the previous available period corresponds approximately to 2024 and therefore the older data is used without further adjustments.
In addition, extrapolation to all employees/the entire portfolio was used for categories 7 and 15, as detailed data was collected only for a selected sample (for category 7, this was a survey of a subset of employees, for category 15, an assessment of only the largest exposures to cover the majority of the portfolio). In both cases, the assumption that the sample corresponds in its structure to the behaviour of all employees / the entire portfolio was used.

the reliability of the sources, including data from electricity meters, calorimeters, gas meters, invoices and air conditioning leakage registers.

Confidence intervals are calculated using statistical models that quantify the uncertainties and identify the main sources of bias, such as measurement errors, inaccurate assignment of emission factors and gaps in the input data. The validation process involves checking the integrity of the data, verifying the accuracy of the calculation procedures and the accuracy and relevance of the calculated emissions in the context of the organisation's actual operations.

Scope 3 emissions:

The Scope 3 category was calculated as follows:

Scope 3 category	*Calculation method used*
1: Purchased goods and services	Spend-based approach
2: Capital goods (investment property)	Spend-based approach
3: Fuel and energy related activities	Average date-based approach
5: Waste generated in operations	Waste type-specific method
6: Business trips	Distance-based method
7: Employee commuting	Distance-based method
15: Investments	Method based on disclosed counterparty emissions, possibly by calculating emissions over the revenue, building type or energy consumption of the financed counterparty / property / project

For Category 15 "Investments" within tScope 3 of GHG emissions, the financed emissions are calculated by attributing to the investor a proportionate share of the GHG emissions from the investee company's operations and activities based on its share of the equity and debt of the counterparty. This process includes:

1. **Data collection:** Collecting emissions data from investee companies, either through direct disclosure or through reliable estimation methods that are consistent with recognised frameworks such as the GHG Protocol.
2. **Attribution of emissions:** Use of financial data to determine the investor's share of emissions – emissions from investments are allocated based on the Group's proportionate share of the investment in the investee/project, the so-called attribution factor.
3. **Normalization:** Calculation of emissions to ensure comparability across portfolios, taking into account factors such as the sector and location of the investee company.
4. **Consolidation:** Aggregation of these attributed emissions from each investment to establish the investor's total financed emissions for reporting purposes.

The calculation of the share of government bonds and loans in the Group's GHG emissions was carried out in several stages:

1. **Data collection:** Collection of publicly available emissions data for the country concerned, covering information on domestic emissions from sources located in the country (Scope 1), emissions from the use of electricity, heat, cold and steam imported from abroad (Scope 2) and emissions from other imports not covered by Scope 2 (Scope 3).
2. **Attribution of emissions:** Determination of the exposure value ratio using financial data that takes into account the amount of investment in a given country and the country's PPP-adjusted GDP.
3. **Normalization:** Calculating emissions to ensure comparability across different countries, taking into account factors such as differing economic performance and market structure that may affect overall GHG emissions.
4. **Consolidation:** Aggregation of these assigned emissions from individual countries to establish a total volume of emissions from government bonds and loans for reporting purposes.

List of emission factor sources

The following sources of emission factors were used in the preparation of this report:

Source	*Version*	*URL*
Ministry of the Environment	2024	https://www.mzp.cz/C1257458002F0DC7/cz/vypoctove_faktory_emise/$FILE/opok-NIR_vypocetni_faktory-20240101d.pdf
Eora66 MRIO Factor Set	2024	https://worldmrio.com/metadata.jsp
IEA Factor Set	2024	https://www.iea.org/data-and-statistics/data-sets
AIB European Residual Mix	2023	https://www.aib-net.org/facts/european-residual-mix
Ministry of Industry and Trade	2023	https://mpo.gov.cz/cz/energetika/statistika/elek trina-a-teplo/emisni-faktor-co2-z-vyroby-elektriny-za-leta-2010_2023--280262/
Department for Environment, Food and Rural Affairs (DEFRA)	2024	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024
Eurostat	2022	https://ec.europa.eu/eurostat/databrowser/view/ENV_AC_AEINT_R2__custom_14930644/default/table?lang=en
PCAF	2023	https://building-db.carbonaccountingfinancials.com/PCAF_emission_factor_database.php?partitionpage=Commercial+real+estate
IPCC	According to the AR version	https://www.ipcc.ch/reports/
EXIOBASE	2022	https://exiobase.eu/

Summary of the Greenhouse Gas Inventories

Below is a summary of the GHG inventories.

GHG emissions (tCO_2eq)	***GHG emissions***
Gross Scope 1 GHG emissions	395.6362 t CO_2eq
Gross Scope 2 GHG emissions (location-based)	1,289.21 t CO_2eq
Gross Scope 2 GHG emissions (market methodology)	2,407.72 t CO_2eq
Total indirect gross GHG emissions (Scope 3)	1,975,968.2261 t CO_2eq
Purchased goods and services	30,289.5166 t CO_2eq
Capital goods	3,468.2323 t CO_2eq
Fuel and energy related activities (not included in Scope 1 or 2)	501.09 t CO_2eq
Upstream transport and distribution	- t CO_2eq
Waste generated during operation	29.7705 t CO_2eq
Business trips	202.1067 t CO_2eq
Employee commuting	480.51 t CO_2eq
Leased assets – upstream	- t CO_2eq
Downstream transport and distribution	- t CO_2eq
Processing of sold products	- t CO_2eq
Use of sold products	- t CO_2eq
Disposal of sold products at the end of their useful life	- t CO_2eq
Leased assets – downstream	- t CO_2eq
Franchises	- t CO_2eq
Investments (loans and investments)	1,940,997 t CO_2eq
Total GHG emissions (location-based method)	1,977,653.0723 t CO_2eq
Total GHG emissions (market methodology)	1,978,771.5823 t CO_2eq
Biogenic emissions of CO_2 from the combustion or bio-degradation of biomass not included in the Scope 1 GHG emissions	- t CO_2eq

Biogenic emissions of CO_2 from the combustion or bio-degradation of biomass not included in the Scope 2 GHG emissions	- t CO_2eq
Biogenic emissions of CO_2 from the combustion or bio-degradation of biomass that occur in the value chain and are not included in the Scope 3 GHG emissions	- t CO_2eq
Emissions from purchased cloud computing and data centre services (also included in the category of purchased goods and services)	1,919.5501 t CO_2eq

The table above shows the greenhouse gas emissions for the Group. Investments in joint ventures, associates and other unconsolidated subsidiaries over which the Group does not have operating control are included in category 15 (Investments).

A total of 27.72% of the total Scope 1, 2, and 3 GHG emissions was calculated based on approximated data. The largest item in this estimate is the category 15 of Scope 3, where the share of emissions calculated on the basis of approximated data was 28.19% (i.e. 547,167.05 tCO_2eq out of 1,940,997 tCO_2eq). Also significant is the VABA d.d. Varaždin branch, where the share of emissions calculated from approximated data was 92.3% due to the unavailability of real data (i.e. 816.42 tCO_2eq out of 884.53 tCO_2eq). The only category where the share of emissions calculated from the approximated data was 100% is the category 7 of Scope 3 Employee commuting (data was collected using a questionnaire survey on a sample of 5% of employees).

GHG intensity based on net revenue

GHG intensity per net revenue	*Year 1*
Total GHG emissions (location-based) per net revenue (tCO_2eq/Monetary unit)	0.0001548
Total GHG emissions (market methodology) per net revenue (tCO_2eq/Monetary unit)	0.0001549

The GHG intensity ratio shall be calculated using the following formula:

$$Intensity\ ratio\ = \frac{\begin{array}{c}(GHG\ Scope\ 1\ emissions\ in\ the\ given\ year\ + \\ GHG\ Scope\ 2\ emissions\ in\ the\ given\ year\ (location - based\ or\ market - based\ method, whichever\ is\ greater) + \\ GHG\ Scope\ 3\ emissions\ in\ the\ given\ year)\end{array}}{Net\ revenue\ of\ the\ Group\ in\ the\ year}$$

where the total GHG emissions are reported in metric tonnes of CO_2eq and the net revenue in monetary units (e.g., Euros) and present the results for the market-based and location-based method.

Reconciliation of net revenue to the financial statements

Net revenue used to calculate GHG intensity (in millions of CZK)	12,774
Net revenue (other)	-
Total net revenue (accounting statements)	12,774

ESRS E4: Biodiversity and ecosystems

The impacts on biodiversity and ecosystems are related to the business model, as the Group provides financing to companies in sectors such as construction, energy production and real estate.

E4-1: Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Currently, the Group does not have a transition plan in place regarding biodiversity and ecosystem impacts. Significant impacts were identified based on analysis using the UNEP FI tool. This analysis pertains to the value chain and covers the aspect of loans and investments from the perspective of biodiversity and ecosystems. The Group has not consulted with potentially affected communities regarding the identified negative impacts. It does not have sites located in or near biodiversity-sensitive areas, but assets of the financed sectors mentioned above may be located in these areas.

E4-2: Policies related to biodiversity and ecosystems

The Group has not adopted any policies on biodiversity and ecosystem protection, sustainable land/agriculture practices, sustainable oceans/seas practices, or policies to address deforestation. The reason the Group does not have policies in place is that it is gathering more specific information regarding impacts, risks, and opportunities.

E4-3: Actions and resources related to biodiversity and ecosystems

In 2024, the Group did not take any actions or allocate resources to manage impacts on biodiversity and ecosystems concerning financing. The reason the entity has not taken action is that the Group is gathering more specific information regarding impacts, risks, and opportunities.

E4-4: Targets related to biodiversity and ecosystems

The Group has not set targets related to biodiversity and ecosystems concerning financing.

ESRS E5: Resource use and circular economy

Impacts on resource use and the circular economy are related to the business model because the Group provides financing to companies in the construction and energy production sectors.

E5-1: Policies related to resource use and circular economy

The Group does not have policies related to resource use and circular economy with regard to financing. This is because this impact was assessed as significant in 2024. The Group is encountering the issue of resource use and circular economy impact through the value chain for the first time. It is currently being discussed whether these policies will be implemented.

E5-2: Actions and resources related to resource use and circular economy

The Group has not taken any actions or allocated resources related to resource use and the circular economy concerning financing. This is because the Group is seeking more specific information on this impact and is considering what measures to implement.

E5-3: Resource use and circular economy-related targets

The Group has not set targets related to resource use and the circular economy concerning financing.

Social information

ESRS S1: Own workforce

SBM-3 to S1: Material impacts, risks and opportunities and their interaction with strategy and business model

Impacts, risks and opportunities related to own workforce

Based on the double materiality assessment, the Group identified the following significant impacts within its own workforce:

- Gender equality and equal pay for work of equal value;
- Measures against violence and harassment in the workplace; and
- Diversity.

The identified impacts concern all workers within the own workforce across all countries where the Group operates, and these are systemic impacts. The aforementioned impacts pertain to the Group's own employees.

Areas of increased risk concerning own workforce

Groups that pose a higher risk from a gender equality perspective include women in managerial positions, women in underrepresented areas (e.g., IT, Security Department), and women on maternity/parental leave. These women may face biases and stereotypes that can undermine their authority and decision-making powers or experience isolation in predominantly male fields, increasing the risk of sexism and harassment. Women on maternity/parental leave can be discriminated against and seen as less committed, limiting their career opportunities and reintegration into the workforce. Other vulnerable groups include employees in lower positions, who have limited power and are at greater risk of harassment, and employees in contact professions, where they may encounter aggressive behavior from clients. Employees from marginalized groups, such as ethnic and racial minorities or persons with disabilities, face structural and institutional barriers that worsen their working conditions and career prospects and may be subject to discrimination and stigmatization.

The consequences regarding impacts on the own workforce that will result from the transition plan will be disclosed only after the transition plan for the Group is developed.

The Group has not identified any operational activities with a significant risk of child or forced labor cases.

Relation to own workforce concerning strategy and business model

One of the fundamental pillars of the Group's strategy is a cohesive team, meaning we have a top-notch team of competent, motivated, educated, and open people who feel a strong sense of ownership for their entrusted area. We take all steps to have such a team, i.e., we educate, enable, and support employee growth, promote open communication, and provide employees with the opportunity to regularly express their views on the Group's operations (surveys, open doors, 1:1, feedback with management for new employees). As a responsible employer, we focus on gender equality (always approaching employees based on knowledge, not gender), including equal pay, preventing violence and harassment in the workplace, and this year we are preparing to raise awareness of diversity.

S1-1: Policies related to own workforce

The Group's policies concerning its own workforce are not fully aligned with internationally recognized instruments, including the UN Guiding Principles on Business and Human Rights – particularly in the area of due diligence within the value chain. The policies also do not explicitly address trafficking, forced or compulsory labor, and child labor, as the Group has not identified any significant impacts and risks in this area. All policies are accessible to all employees on the Group's intranet. The Group has a policy on Physical Security and Environmental Safety Rules and Organizational Security of Occupational Health and Safety at J&T BANKA.

Policies on gender equality and equal pay for work performed

Employee remuneration policies

The employee remuneration policy includes provisions for fair and transparent remuneration to prevent gender-based discrimination. The person responsible for the implementation and oversight of the remuneration policy is the HR Director. The policy applies to all Group employees, including managers and temporary workers.

Employee evaluation

The employee evaluation policy focuses on fair and objective assessment of work performance. The person responsible for the implementation and compliance with this policy is the HR Director, who ensures that all evaluation processes are transparent and in line with internal standards and legislation. The evaluation policy applies to all Group employees, including managers and temporary workers.

Policies against violence and harassment in the workplace

Code of Ethics

The Group’s Code of Ethics prohibits violence and harassment in the workplace, including sexual harassment, unwelcome advances, or other verbal, physical, visual, or online conduct of a sexual nature. Employees are required to report any such harassment through appropriate channels (e.g., whistleblowing). The person responsible for compliance with anti-harassment rules is the compliance director, who ensures that all incidents are properly investigated and addressed and collaborates with the HR Director. The Code of Ethics applies to all Group employees, including temporary workers and interns.

Diversity policies

The Group does not have a specific diversity policy because the existing Code of Ethics already addresses the topic of equal treatment. The Code of Ethics includes the principle of equal and impartial treatment of all workers and third parties regardless of their race, skin color, religion, nationality, gender, age, disability, sexual orientation, or any other factor that could constitute direct or indirect discrimination. The application of this principle is also required during the recruitment of new employees. The Code of Ethics does not have specific commitments regarding inclusion or affirmative actions for individuals from particularly vulnerable groups; it applies to all Group employees. The HR Director is responsible for its implementation.

S1-2: Processes for engaging with own workers and workers’ representatives about impacts

Activities are in place to support an open communication culture. Every six months, an **eNPS (employee net promoter score) survey** is conducted to gather employee feedback on the company, its products, team collaboration, and managers. In this feedback, respondents can also express their views on significant impacts such as gender equality, violence and harassment, or diversity within their teams. Subsequently, workshops are held with teams whose results ended in negative points, and action steps for improvement are jointly set in collaboration with employees. The workshops are conducted across the entire Group, where action plans are established, including the fulfillment of KPIs set from the workshops. KPIs are then evaluated annually. Another regular activity that occurs monthly is meetings between a Board of Directors representative and the HR Director with employees who have been with the company for six months. These meetings ensure feedback from new employees who have gained a more impartial view of the Group during their first six months and can bring innovative perspectives. Another way to gather feedback is through regular team meetings and 1:1 meetings within individual teams.

An important part of collaboration with own employees is their involvement in the company's direction and strategy. The strategy and direction were presented at a company-wide meeting in 2023. Subsequently, managers elaborate on the strategy in individual sections and coordinate with each other to ensure that goals are interconnected across the Group. Within their teams, all employees are involved in the breakdown of the strategy. The Group uses workshops led by the **Customer Delight** method for this purpose. Employees then understand the company's direction and comprehend the impacts on their own set KPIs. The HR Director is responsible for considering employees' opinions, ensuring that all suggestions and feedback are regularly monitored, stored, and evaluated over time.

For 2024, the Group does not record any cases of discrimination, complaints, or fines related to significant impacts.

S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns

Within the Group, systems are in place to identify, prevent, mitigate, and limit impacts on employees, including significant areas such as gender equality, diversity, and workplace harassment. Employees can raise concerns related to significant impacts through several channels. Feedback channels allow employees to easily and safely communicate their suggestions, which are then analyzed and integrated into the process of improving the work environment. As described above, workshops are conducted, focusing on areas with greater potential and their development. Progress is tracked and monitored through eNPS evaluations, which are described in more detail above. The Group has an open-door culture, conducts exit interviews, and records suggestions from its own workforce in an internal database. Based on this feedback, the HR director consolidates the main feedback suggestions, which are discussed with board representatives. In cases where potential negative impacts on employees are identified, we commit to providing immediate and prompt remediation. The HR Director, together with a Board of Directors representative, sets action steps for remediation. The effectiveness of corrective action steps is monitored through established KPIs, which are set when defining the action steps. There are also processes that enhance the credibility of the employee feedback system, including regular reports on actions taken and transparent communications on how employee opinions have been considered in decision-making and planning.

Concerns regarding the aforementioned negative impacts can be reported by Group employees in the following ways:

- customer hotline;
- service line;
- forms in JIRA (Service Desk);
- employee satisfaction surveys;
- direct contact with their superior;
- direct contact with the HR department;
- email box whistleblowing@jtfg.com;
- email box compliance@jtfg.com.

The Group supports the availability of these channels through their publication on the website, on the intranet, or as part of onboarding training.

As a problem-solving mechanism, the Group relies on:

- regular feedback (eNPS);
- open-door policy (HR, skip-level meetings, etc.).

S1-4: Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches

Gender equality measures and equal pay for work

In 2024, no new measures regarding gender equality and equal pay for work were introduced. Planned measures include a review of the remuneration policy during 2025 with regard to gender equality and equal pay for work. The scope of the measures will cover all Group employees, with an emphasis on areas with low female representation. Regular progress evaluations will be conducted quarterly.

Measures against violence and harassment in the workplace

In 2024, no new preventive measures were taken to prevent violence and harassment in the workplace. In the event of reported harassment incidents, it is ensured that affected individuals receive support and assistance, including access to counseling services and remedial mechanisms such as meetings with a psychologist. In the case of a proven incident of violence and harassment, the perpetrator’s employment is terminated.

Diversity measures

In 2024, no new measures were taken concerning diversity impacts. Remediation for individuals negatively affected by a lack of diversity and inclusion includes providing support and access to development programs such as access to external workshops or courses, which every employee is entitled to within the budget allocated to the respective team. Additionally, participation in workshops focused on developing leadership skills is possible.

S1-5: Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

All objectives have a set time horizon and are to be achieved by the end of 2025. The success of the objectives will be regularly monitored and evaluated through internal audits and surveys. The Group collaborated with its employees and sought to incorporate feedback provided through eNPS or during feedback to managers. The HR Department, Compliance Department, ESG team, and a Board of Directors member collaborated on setting the objectives. Primarily human and time resources were allocated to manage significant impacts on the own workforce.

Gender equality objectives and equal pay for work

- At least 30% representation of women in managerial positions/management (B-2 excluding senior management).
- At least one woman and one man in senior management (B-1).
- Establishing conditions so that at least 30% of women utilize the option to return to work after maternity/parental leave.

Objectives against violence and harassment in the workplace

- No objectives are set, as specific measures to address this area have not yet been established.

Diversity objectives

- At least one lecture on diversity will be organized in 2025.

S1-6: Characteristics of the undertaking's employees

The total number of employees corresponds to the number of permanent employees (i.e., on a full-time basis) and temporary employees (i.e., on a work agreement and work activity agreement).

Gender	*Number of employees as at 31 December 2014 (head count)*
Male	474
Female	539
Others	-
Not reported	-
Total employees	**1,013**

The total number of employees by head count, and breakdowns by gender and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees (including Germany, where there are fewer than 50 employees)

Country	*Number of employees as at 31 December 2014 (head count)*	*Male*	*Female*
Czech Republic	700	338	362
Slovakia	247	108	139
Croatia	55	23	32
Germany	11	5	6

Temporary staff statistics

Temporary employees of the Group (Contracts for work / Agreements to perform work)[64] as at 31/12/2024	*Male*	*Female*
J&T Banka, a.s. (CR)	10	20
J&T Banka, a.s. pobočka zahraničnej banky (SK)	-	6
J&T Banka, a.s. (SK)	-	-
J&T banka d.d. (HR)	-	-
J&T Direktbank (DE)	-	-
AMISTA investiční společnost, a.s.	2	1
ATLANTIK finanční trhy, a.s.	2	-
J&T IB and Capital Markets, a.s.	-	-
Rentalit s.r.o.	-	-
J&T INVESTIČNÍ SPOLEČNOST, a.s.	6	2
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	1	-
Total	**21**	**29**

[64] Contracts for work
Agreement to perform work

Temporary employees of the Group (Contracts for work / Agreements to perform work) as at 31/12/2024	*Number of employees (head count)*
Czech Republic	43
Slovakia	7
Croatia	-
Germany	-
Total	50

2024 – Group as at 31/12/2024

FEMALE	*MALE*	*OTHER*	*NOT DISCLOSED*	*TOTAL*
Number of employees (head count)				
539	474	-	-	1,013
Number of permanent employees (head count)				
510	453	-	-	963
Number of temporary employees (head count)				
29	21	-	-	50
Number of non-guaranteed hours employees (head count)				
-	-	-	-	-

The Group does not have employees with non-guaranteed working hours.

A total of 113 (12.5%) employees left the Group in 2024. For 2025, the aim is not to exceed 18% fluctuation at the Group-wide level (12.5% and 11% in 2024 and 2023, respectively).

To obtain information on the head count, the number of employees on a full-time basis is used, excluding employees in off-register status. Only permanent employees are counted, including employees on other types of employment contracts (temporary employees). Temporary staff includes employees under contracts for work ("DPP") or agreements to perform work ("DPČ").

S1-9: Diversity metrics

Senior management includes the Bank's Board of Directors, B-1, and the members of the Boards of Directors of the Bank's subsidiaries. Management/managers are defined as level B-2 excluding senior management.

As at 31/12/2024	*Male*	*Female*
Senior management – number	32	4
Senior management – ratio	89%	11%
Managers (B-2) – number	45	24
Managers (B-2) – ratio	35%	65%

Age category	*Number of permanent employees as at 31/12/2024*
Up to 30 years	200
From 30 to 50 years	672
Over 50 years	141
Total	1,013

In 2024, 52% of the Group’s employees used the option to return from maternity/parental leave. The indicator relates to the promotion of gender equality and work-life balance.

S1-16: Compensation metrics (pay gap and total compensation)

Gender pay gap by country	
CR	48%
SR	27%
DE	58%
HR	43%

The gender pay gap is influenced by the disproportionate distribution of positions between men and women (senior management or board positions).

The ratio of the highest paid individual’s total annual remuneration to the median total annual remuneration of other employees was 2,573% in 2024; the ratio was impacted by the different levels of remuneration in individual countries. The calculation includes all employees active as of 31/12/2024, including temporary staff.

S1-17: Incidents, complaints and severe human rights impacts

Incidents, complaints and severe human rights impacts

Datapoint	*Metrics*	*2024*	*Commentary (additional information)*
Total number of incidents of discrimination, including harassment	Number	-	
Number of complaints submitted through the channels for raising concerns	Number	-	
The total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above, and a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements	Financial amount	-	
Number of serious human rights issues and incidents related to own workers	Number	-	
Number of severe human rights issues and incidents related to own employees arising from non-compliance with the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises	Number	-	
Amount of material fines, sanctions, and compensation for severe human rights issues and incidents related to own employees	Financial amount	-	

ESRS S2: Workers in the value chain

SBM-3 to S2: Material impacts, risks and opportunities and their interaction with strategy and business model

The Group has identified the following systemic impacts concerning value chain workers:

- A real positive impact on employment through financing the development and growth of companies primarily in the Czech Republic (mainly in education) and Slovakia (mainly in the agriculture sector).
- A real negative impact on health and safety through financing activities in the energy and construction industries.
- A real negative impact on the living standards of workers in the construction sector through financing enterprises in the construction industry, where workers are often paid inadequate wages.

The Group has not identified any geographical areas with a significant risk of child labor or forced or compulsory labor among workers within financed enterprises.

S2-1: Policies related to value chain workers

The Group does not have policies related to value chain workers with regard to financing. This is because the Group is seeking more specific information on these impacts.

S2-2: Processes for engaging with value chain workers about impacts

The Group does not have processes for engaging with value chain workers regarding impacts in the area of financing. This is because the Group is seeking more specific information on these impacts.

S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns

The Group does not have procedures for remedying negative impacts that may affect or already affect value chain workers in the area of financing. However, the value chain workers can use the hotline for raising concerns, which is available on the J&T BANKA website.

S2-4: Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions and approaches

The Group has not taken any measures regarding significant impacts on value chain workers. This is because the Group is seeking more specific information on the impacts, risks and opportunities.

In 2024, no severe human rights issues and incidents related to the value chain workers of the Group were reported.

S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group has not set any targets regarding the management of significant negative impacts in the area of value chain workers.

ESRS S3: Affected communities

SBM-3 to S3: Material impacts, risks and opportunities and their interaction with strategy and business model

The Group has identified a real positive impact on the availability of products and services in the areas of housing, education, and finance through financing enterprises that support education, housing construction, financial services, food industry, and energy in the Czech Republic, Slovakia, Germany, and Croatia.

S3-1: Policies related to affected communities

The Group does not have policies related to affected communities with regard to the area of financing. This is because the Group is seeking more specific information on these impacts.

S3-2: Processes for engaging with affected communities about impacts

The Group does not have processes for engaging with affected communities regarding impacts in the area of financing. This is because the Group is seeking more specific information on these impacts.

S3-4: Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

The Group has not taken any measures regarding significant impacts related to affected communities. This is because the Group is seeking more specific information on these impacts.

S3-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group has no set targets in terms of the affected communities.

ESRS S4: Consumers and end- users

SBM-3 to S4: Material impacts, risks and opportunities and their interaction with strategy and business model

The Group has identified the following significant impacts and risks related to consumers and end-users:

- Potential negative impact of poor data protection and privacy policies and practices on customers in the form of financial harm to clients.
- Risk of legal consequences and damage to the Group's reputation in the event of a personal data breach.

Privacy and data protection, as well as cybersecurity, have a crucial influence on the Group's business model, as the Group handles a large amount of personal data for the purpose of providing services within its core activities. The impact and risk concern all the Group's customers, but especially more vulnerable groups of consumers and end-users such as seniors, minors, people with low financial literacy, persons with disabilities, and individuals from marginalized groups. The Group applies specific procedures and principles to identify consumers and end-users who may be particularly vulnerable. The Group regularly conducts risk analysis to identify potential threats in the area of data security. This analysis includes both internal and external factors, including legislative changes and technical trends.

S4-1: Policies related to consumers and end-users

The Group has implemented the following policies focusing on managing significant impacts and risks in the area of data security for consumers and end-users.

1. Privacy Policy:

This policy applies to all consumers and end-users whose personal data is collected and processed by the Group. In 2024, the policy was updated in line with the expansion of offered services and the introduction of new digital channels. The policy is linked with internal data processing procedures and regular audits that ensure compliance with regulations and data protection. It is communicated through the website and customer service. The policy commits to protecting the personal data of its customers and ensuring their confidentiality and security through established principles and procedures for processing personal data. This policy complies with applicable legal regulations, including the General Data Protection Regulation (GDPR). The Group's Data Protection Officer and the Data Protection Officer of the respective branch are responsible for the policy.

2. Security policy:

The security policy represents a summary of security principles, guidelines, rules, and measures defining security objectives (including technical, organizational, and information security) and creates a comprehensive system encompassing all areas of security (including technical, organizational, and information security), crisis planning, and protection of the Group's reputation. The policy targets all consumers, including vulnerable groups such as children and individuals with low financial literacy. It relates to the privacy policy. More information based on this policy is available on the web at: https://www.jtbank.cz/bezpecnost#falesne-telefonaty. The Director of the Bank's Security Department is responsible for the policy.

3. Policy on receiving and handling client requests – Ensuring access to client information:

The Group's policy on receiving and handling client requests sets rules for communication with clients. The Client Center considers the basic rights of customers under GDPR, including the right to access, rectify, and erase their personal data. Customers have the right to access information about the data being processed, request the correction of inaccurate information, and the deletion of data if it is no longer necessary for processing. In the event of a personal data breach, procedures for reporting incidents are in place, which include informing the relevant authorities and affected customers in accordance with applicable regulations, including the whistleblowing policy (more in sections S1 or G1). The policy is applicable to all Group employees who interact with customers' personal data (e.g., Client Center, bankers); the Director of the Client Center is responsible for the policy.

The Group does not have its policies linked to the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. In 2024, there were no violations of the human rights of the Group's consumers and end-users.

S4-2: Processes for engaging with consumers and end-users about impacts

The Group invests in modern technologies and solutions focused on ensuring data security, such as advanced fraud detection and prevention systems, encryption, and multi-factor authentication. Technological adjustments are made based on the assessment of potential threats and actual incidents.

The Group has implemented the Echopanel platform for test clients, where customers can submit their suggestions for improving client services, including data security. The marketing department is responsible for this initiative.

The Group has designated the below individuals and departments responsible for ensuring consumer and end-user engagement in managing the significant impacts of its activities and ensuring that the outcomes of these activities are considered in decision-making.

Responsible persons/departments

- **Digital Experience:** Responsible for gathering consumer feedback through surveys and complaints.
- **Data Protection Officer:** Ensures that data protection policies are in line with consumer expectations and needs. The position also analyses feedback on data protection and helps to implement the rights of data subjects.
- **Director of Client Centre:** Ensures smooth communication between clients and the Group.

All employees must have knowledge of data protection regulations such as GDPR and the Group's internal policies. The Group ensures knowledge by regularly training and informing employees. The Group also ensures that information about products and services, including privacy policies, is easily accessible and understandable to all users, especially vulnerable groups. Information is available on the website (https://www.jtbank.cz/ochrana-osobnich-udaju) or at each site. There is always a contact for any questions or clarifications.

The Group has put in place the following procedures to assess the effectiveness of consumer and end-user engagement in the management of significant impacts.

- Monthly evaluations by the Client Centre team, including data protection matters. The monitoring and evaluation is the responsibility of the client advisor team leader.
- An annual internal audit focusing on data security and data protection.

S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The Group has established procedures for remedying potential negative impacts in the area of customer data protection that were directly caused by a Group employee or in which the Group was involved. In the event of a data breach, a crisis plan is activated, which includes an internal investigation, identification of affected individuals, and risk assessment. Customers are informed about the incident and receive specific guidance on protecting their data and an offer of financial compensation. Regular internal audits are conducted annually to evaluate the effectiveness of the remedy.

Impacts are categorized by their nature, particularly whether they are direct (internal processes) or indirect (external processes). In the case of direct impacts, an immediate response process is set up, including the activation of the crisis plan, potential reporting to the supervisory authority, informing consumers if their rights are affected, and providing support and implementing corrective measures. For indirect impacts, collaboration with business partners is key to resolving the issue, strengthening contractual agreements, controls, and implementing security standards, and in some cases, terminating the partnership.

Reporting and resolving complaints and suggestions from consumers and end-users

The Group ensures the availability of means and channels for reporting issues, complaints, claims, requests, and suggestions from consumers and end-users in the area of personal data through the following methods:

a. in writing to the address provided in the complaints procedure;
b. electronically to the email address provided in the complaints procedure;
c. by phone to the contact number provided in the complaints procedure (in the case of certain companies);
d. in person at the company's premises;
e. via electronic form (in the case of certain companies); and
f. using the whistleblowing hotline.

Group companies providing client services have developed complaints procedures that inform clients about the scope, conditions, and methods for lodging complaints and grievances. All these companies also inform clients about the processing of personal data through their websites, where all rights related to processing are listed. The method of handling complaints is then regulated by the internal regulations of the individual companies within the Group. Complaints or grievances from clients, or third parties, are handled by a designated department, typically the Compliance Department (e.g., in the case of the Bank). Complaints must be resolved within the period specified by the complaints procedure (typically 15 working days; can be extended in exceptional cases). The employee responsible for handling the complaint is obliged to objectively assess the facts of the complaint, determine the actual factual and legal state of the matter, and based on this, evaluate whether the complaint is justified or not. In the case of a justified complaint, the client is informed of the measures taken in relation to him/her to rectify the defective state. If the complaint or grievance is resolved as unjustified, the client is informed about the possibility of submitting a repeated complaint or grievance to a public authority (depending on the circumstances, to the financial arbitrator, the Czech Trade Inspection Authority, and the Czech National Bank). If a procedural or other deficiency is identified in connection with a complaint or grievance, the Compliance Department, together with the relevant responsible department, will propose appropriate measures. The Board of Directors is routinely updated on complaints, and for banking-related complaints, the Operational Risk and Loss Committee is also informed. In addition, regular reports on the resolution of client complaints are submitted to the supervisory authority, i.e., the Czech National Bank. Individual complaints and grievances are recorded, including communication with the client or individual employees involved in resolving the complaint, the outcome of the complaint process, and the sending of a response to the client. Each case can thus be reasonably reconstructed.

Clients are informed about the possibility of submitting a complaint or grievance, including those related to personal data, through the websites of the individual companies. Information is provided on how to submit a complaint or grievance, as well as on their resolution (by publishing the complaints procedures on the websites).

In the area of personal data protection, clients are informed about processing through Information Memoranda, which are accessible both on the websites of the individual companies and at the branch when concluding a contract. The Information Memoranda contain a list of individual rights under GDPR and the possibilities for exercising them, as well as the process for handling them. This is carried out through the Data Protection Officer or another person designated for the GDPR area. The Data Protection Officer, or the person designated for the GDPR area, manages and subsequently handles the requests. Contact details are provided directly in the Information Memorandum.

Clients also have the option to file a complaint with the Office for Personal Data Protection.

Non-retaliation in reporting complaints

Regarding submissions made through the whistleblowing hotline, the principles concerning the prohibition of retaliatory measures are described in the aforementioned responses related to whistleblowing. The prohibition of retaliatory measures applies to both the whistleblower and other individuals associated with the report or the whistleblower.

Similarly, in the complaint handling process, it is not permissible to penalize the person submitting the complaint (typically a client) or the employee handling the complaint in any way. Internal regulations governing the complaint handling process explicitly state that the employee responsible for handling the complaint is obliged to act fairly and resolve similar complaints in a similar manner, considering only relevant facts for resolving the complaint and disregarding ancillary circumstances of the business relationship.

Complaints are handled by the independent Compliance Department, and the four-eyes principle is applied to the resolution of each complaint. All complaints are recorded, including the manner of their resolution.

S4-4: Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The Bank Group plans to implement a regular NPS survey of randomly selected JTB CR clients. The planned action steps apply to all consumers, including vulnerable groups.

The Group has implemented the following measures to minimize impacts and risks related to personal data breaches:

1) Adherence to legislative requirements, particularly the Act (e.g., GDPR).

2) Personal data is only collected for specific, explicit and legitimate purposes and is not further processed in a way that is inconsistent with those purposes.

3) Only the personal data necessary to achieve the specified purposes is collected.

4) Technical and organizational measures are implemented to protect personal data from unauthorized access, loss, or destruction. These measures include data encryption, firewall systems, and regular security audits at least once a year.

5) Programs to enhance cybersecurity, including the “We are all safety” series of training, have been introduced.

The Group allocates the necessary human resources (e.g., client center, data protection officer, Cybersecurity Department) to carry out corrective measures. At the same time, we invest in technology, employee training, and strengthening teams focused on personal data protection.

In 2024, no severe issues in the area of client personal data protection were reported.

S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

- An annual internal audit and update of the data protection policy.

Additional objectives related to data security can be found in section G1 under the Cybersecurity section. The objectives were set based on risk analysis, legislative requirements (particularly GDPR), and best practices in data protection. Raising awareness about personal data protection and overall security is a key element of data protection. Ensuring sufficient and up-to-date information for affected individuals is also a necessary condition for effective management in this area. These aspects were considered when formulating the objectives.

Indicators for personal data security:

- Number of subject rights exercised concerning the data the Group handles (2024: 6 requests).
- Number of internal incidents in the area of personal data (2024: 6 incidents).
- In 2024, an audit of the data protection policy was initiated.

Governance information

ESRS G1: Business conduct

G1-1: Business conduct policies and corporate culture

Policy anchoring corporate culture – Code of Ethics

The Group's corporate culture is built on high standards of professionalism, transparency, and social responsibility, which are reflected in the daily conduct of employees. Protecting customer assets and adhering to equal treatment are key values that foster trust and respect in client relationships. Political neutrality and the binding nature of "gentlemen's agreements" underscore ethical conduct and cooperation in conflict resolution, contributing, among other things, to a harmonious work environment.

The aforementioned values are embedded in the Group's Code of Ethics. This internal regulation contains the essential standards of ethical behavior, which include the obligation to comply with legal obligations, protect customer assets, social responsibility, equal treatment, political neutrality, and the protection of privacy and personal data of both clients and employees. In addition, the Code of Ethics focuses on crime prevention and fraud detection, which strengthens the security culture. Employees' duties further include protecting the company's reputation, ensuring IT security, and proper use of assets.

The person responsible for keeping the text of the Code of Conduct up to date is the Group HR Officer. Employees can access the Code of Ethics on the intranet and can familiarize themselves with its principles and wording at any time. This policy applies to all Group employees, both at the management and operational levels.

Procedures associated with identifying, reporting, and investigating unlawful conduct or conduct contrary to the Code of Ethics or similar internal rules

If anyone believes that a company within the Group or its employees have engaged in or are at risk of engaging in unethical conduct, which is understood to mean conduct contrary to the Code of Ethics, Conflict of Interest Management Policy, or other Group principles related to behavior and corporate culture (with specific examples provided to employees through e-learning training), they can report this in one of the following ways:

a) Through the whistleblowing hotline (further procedure detailed below).
b) Through a complaint (further procedure detailed below).
c) By email, which is used for reporting incidents related to personal data protection.
d) In person to Compliance staff.
e) In writing to the address of the Bank or the relevant Group company.

Reports can be submitted either through a work or personal account or anonymously. The person responsible for handling the above channels is obliged to address such information according to its severity.

The above reporting and escalation process is introduced and reminded to employees during regular e-learning training. Employees are encouraged to seek advice from their superior, HR Director, or Compliance staff if they have doubts about the ethical aspect of a situation they witness.

The basic tool of the Bank and other entities of the Group to detect any unethical conduct or conduct in violation of internal or legal regulations is the possibility of reporting misconduct through the so-called whistleblowing hotline. Its purpose is to enable not only employees but also other persons to report, confidentially or anonymously, possible illegal acts that harm or threaten the public interest, including fraud and bribery. An effective whistleblowing system has been in place at all Group entities for a number of years, helping protect the companies' reputations and prevent negative financial, legal and reputational impacts.

There are several internal channels for using the whistleblowing hotline. Reports can be made by sending an email to whistleblowing@jtfg.com or through the Group company's website under the

"Whistleblowing Hotline" label, as well as in writing to the company's registered office, or by phone or in person.

The Group Compliance Officer is responsible for receiving and processing reports regarding possible illegal or other unethical conduct, and is obliged to investigate the reports and pass the investigation results to competent persons for the purpose of taking subsequent measures (see below).

Anti-corruption and anti-bribery policies

A significant international treaty focusing on combating global corruption is the United Nations Convention against Corruption from 2005. The Group has implemented an anti-corruption and anti-bribery policy that aligns with the objectives of this Convention. Below is an overview of activities through which the Group companies contribute to the intended goals of the Convention.

a. Cooperation with law enforcement authorities – The foundation of cooperation between law enforcement authorities and private entities is already established by legal regulations (in the Czech Republic, this is the Criminal Procedure Code), which stipulate the obligation to comply with requests from law enforcement authorities in fulfilling their tasks, in specific cases even when the requests concern information subject to banking secrecy. In 2024, the Bank received a total of 471 such requests, in which it provided cooperation to law enforcement authorities. Cooperation with law enforcement authorities is also embedded in the Group's internal regulations, which, among other things, oblige the Board of Directors of individual companies to report suspicions of criminal activity related to the company's activities.

b. Promoting the creation of standards, including rules of conduct for proper, honest, and appropriate business activities, preventing conflicts of interest, eliminating corruption – Within the regulatory framework, the Group's companies have developed a number of internal regulations that detail the area of ethical conduct (internal regulation Code of Ethics), conflict of interest prevention (internal regulation Conflict of Interest Management Rules), whistleblower protection (internal regulation Whistleblower Protection), or corporate criminal liability (internal regulation Measures to Prevent Criminal Activity) and AML issues (internal regulation Internal Principles System for Preventing Money Laundering and Terrorist Financing). The Czech Banking Association (of which the Bank is a member) has also issued a Code of Ethics, which regulates the rules of conduct for Bank employees in relation to clients, the Bank itself, and the relationships between individual banks.

c. Conducting internal audits to prevent and detect corrupt practices, auditing financial statements – Across the Group, a specialized and independent department conducts internal audits of established processes and activities, in accordance with the International Professional Practices Framework issued by the Institute of Internal Auditors (The Institute of Internal Auditors, Inc.). Areas evaluated by the Internal Audit Department include the completeness, evidence, and accuracy of accounting, as well as the reliability and consistency of accounting, statistical, and other information. The financial statements of individual Group companies, or the consolidated financial statements, are audited by external auditors in accordance with national legal requirements; the purpose of this audit is to verify whether the financial statements provide a true and fair view of the accounting subject in accordance with legal regulations and the relevant accounting reporting framework.

d. Measures to prevent money laundering – The Group has implemented a range of measures and control mechanisms aimed at preventing money laundering and terrorist financing. Among the most significant are client identification during banking transactions and data retention for a specified period, non-execution of unusual transactions and their reporting to the relevant institution, maintaining confidentiality about undertaken measures, and regular employee training.

e. Protection of whistleblowers – Whistleblower protection is detailed in other parts of the report. Specific employee obligations apply to reporting suspicious transactions as part of preventing money laundering; in these cases, not only are retaliatory measures against the reporting employee not considered, but employees are repeatedly reminded of the obligation to report suspicious transactions to the AML officer, with failure to fulfill this obligation considered a serious breach of work duties.

Whistleblower safeguards and protection policies

Internal regulations governing whistleblowing (Protection of whistleblowers) guarantee protection of the whistleblower from retaliation or any negative consequences of the whistleblowing, even if the unfair or illegal conduct is not subsequently confirmed. There are several internal channels for using the whistleblowing hotline – reports can be made by sending an email to whistleblowing@jtfg.com or through the Group company's website under the "Whistleblowing Hotline" label, as well as in writing to the registered office of the relevant Group company, or by phone or in person. In 2024, two reports were made through the whistleblowing hotline; these were investigated with the conclusion that no conduct by employees or third parties was identified that could be considered unethical or in violation of legal regulations.

Employees are trained once a year on the possibility of submitting reports through the whistleblowing hotline as part of a broader e-learning training focused on ethical conduct. The training emphasizes that no measures should be taken against employees who provide information about possible violations of ethical standards that could be considered retaliatory or demotivating for potential future reports.

The Group Compliance Officer is responsible for receiving reports in connection with all Group companies; alternatively, reports can also be submitted to a member of the Board of Directors. The Group HR Officer is obliged to ensure that the Group Compliance Officer is informed about the rights and obligations arising from the whistleblower protection law. The rights and obligations of the person receiving the reports are also detailed in the aforementioned internal regulation. In accordance with the internal regulation, only a person who is of good character, of legal age, and competent can be appointed to receive and investigate reports.

Only the Group Compliance Officer can access the submitted reports, and they are obliged to act impartially and maintain confidentiality about the facts learned during the investigation, even after its conclusion (unless otherwise required by law). It is also stipulated that the Group Compliance Officer must not be penalized for the proper performance of their duties.

If a report directly concerns the person receiving the report (i.e., the Group Compliance Officer), the Group Compliance Officer is obliged to forward the report to the Board of Directors of the relevant Group company; the Board will then appoint a board member to properly investigate the report. If the report is directed against a member of the Board of Directors of a Group company, the Group Compliance Officer is also obliged to inform the supervisory body of the respective company.

The anonymity of the whistleblower is maintained until the whistleblower provides written consent to disclose their identity, both in the case of anonymous and non-anonymous reports. The obligation to maintain confidentiality also applies to any other information from which the identity of the whistleblower or other protected persons could be directly or indirectly determined (and thus defeat or jeopardize the purpose of reporting). An exception may only be made when the Group company is obliged to provide information to the relevant public authorities.

Individual aspects of whistleblower protection are outlined in other parts of this report. Group companies are also required to comply with Act No. 171/2023 Coll. on Whistleblower Protection, or the corresponding Slovak (Act No. 54/2019 Coll. on the Protection of Persons Reporting Unlawful Activities), German (HinSchG), and Croatian regulations governing reporting (Zakon o zaštiti zviždača, NN 46/2019).

Incident investigation procedure

The obligations during incident investigations are governed by the aforementioned Group regulation on whistleblowing as well.

Upon receiving a report, the person who received the report (Group Compliance Officer) conducts an analysis of the situation, including verifying the validity of the report. The Group Compliance Officer is obliged to inform the whistleblower in writing of the results of this analysis no later than 30 days from the date of receipt of the report; this period can be extended in justified cases, but not beyond 90 days.

If the report is deemed valid, the Group Compliance Officer will propose measures to prevent or rectify the unlawful situation. If the Group company does not adopt the proposed measure, it will take other appropriate measures to prevent or rectify the undesirable situation. The whistleblower is informed of the measure taken through the Group Compliance Officer without undue delay.

If the report is deemed unfounded, the Group Compliance Officer will inform the whistleblower of this fact without undue delay and will also inform them of the right to submit the report to a public authority.

For reports that do not concern unlawful conduct but, for example, conflicts of interest, unethical conduct, conduct contrary to internal regulations, etc., the Group Compliance Officer will conduct an investigation and propose an internal resolution method and report to the Board of Directors of the relevant Group company. If the report relates to a criminal offense, the Group Compliance Officer will immediately inform the Board of Directors of the relevant Group company. The Board is obliged to report the suspicion of a criminal offense to the relevant law enforcement authority.

The Group Compliance Officer informs the Board of Directors of the relevant company about the resolved reports in an appropriate manner. He/she is obliged to retain reports submitted through the internal reporting system and documents related to the report for 5 years from the date of receipt. Only the Group Compliance officer has access to the report records.

Business conduct training

Employees of the Group companies are required to undergo training related to business conduct in terms of its stance on ethical behavior, preventing corruption and bribery, conflicts of interest, etc., upon joining and at regular intervals thereafter; these trainings are conducted in the form of e-learning courses. For the specific trainings see the table in section G1-3.

Persons most at risk of corruption and bribery

A higher risk of corrupt conduct may arise for employees who interact with clients or business partners, such as those in positions like private banker, banker, key account manager, or investment specialist. Therefore, Group companies have established a policy regarding the acceptance and provision of gifts and their documentation (described in the internal regulation Conflict of Interest Management Rules), which is managed by the Compliance Department, an organizationally and functionally separate department. The acceptance of so-called inducements (payments or other benefits) by securities traders is regulated by the Capital Market Business Act. Preventing potential corrupt conduct also involves strict conflict of interest management, maintaining an organizational structure with the separation of incompatible functions, and setting internal control principles (especially the independence of internal audit and Compliance). With regard to AML, the Group identifies individuals or departments with significant influence on AML risk management and ensures their specialized training; this includes financial markets support, credit risk management, active trade management, and trading.

G1-3: Prevention and detection of corruption and bribery

Procedures related to the prevention, detection and resolution of corruption and bribery

The Group has established procedures related to the prevention, detection and resolution of corruption and bribery.

These procedures are described in the Group's Code of Ethics and Conflict of Interest Management Rules and specifically define corrupt conduct and conflicts of interest, with any breach of duties in these areas considered a serious violation of work obligations.

Employees of the Group are regularly trained in this area (see the table comprising overview of individual trainings and their content and other information below).

The basic tool of the Group to detect any unethical conduct or conduct in violation of internal or legal regulations is the possibility of anonymous whistleblowing, the functioning of which, including the potential resolution of allegations, is described in more detail in the previous sections of the report.

Other tools that contribute to the prevention of unwanted conduct include:

a) Reporting to the Compliance Department the receipt or provision of a gift with a total minimum value of CZK 10,000 or more per year;
b) A staff member who is deemed to be biased in a particular matter is not authorised to deal with that matter;
c) The obligation of the employee to inform his or her supervisor of any potential conflict of interest;
d) The obligation of members of the management and supervisory bodies to report any bias of the body of which they are a member to the Group Compliance Officer;
e) The impossibility of exercising functions in the bodies of other legal entities or gainful employment without the employer's consent if this creates a potential conflict of interest;
f) Monitoring of employees' business activities from publicly available sources.

The controls associated with dealing with corruption and bribery are carried out at three levels:

a) At the first (lowest) level, the control is carried out by the superior on an ongoing basis within the activities of the department he/she manages.
b) At the second level, the Compliance Department carries out regular audits; its activities are focused mainly on monitoring the set processes and their performance in practice. The aim of these preventive controls is to detect any shortcomings in the Group's internal processes in good time.
c) At the highest level, the activities of staff are subject to in-depth internal audit scrutiny.

The Group's companies have established procedures that ensure the independence and functional separation of investigators of corrupt or other unwanted conduct.

In particular, the principle that staff in internal control functions are independent of the departments they control applies. The scope and powers of bodies, employees, experts and committees are defined at all management and organizational levels to sufficiently prevent potential conflicts of interest.

The primary control bodies within the Group are the Internal Audit and Compliance Departments; these departments are organizationally independent of other company departments, and in the case of the Bank, their independence and status are enshrined in the statutes. The person responsible for the Compliance function is appointed and dismissed directly by the Bank's Board of Directors. The Internal Control Department is also independent and subordinate to the Board of Directors. The status of both these departments is detailed in separate internal regulations of the Bank, or in the regulations of other companies within the Group.

Reporting the results of corruption/bribery investigations

Within the whistleblowing procedures, the method of informing governing bodies is regulated as well. The investigating person (Group Compliance Officer) shall inform the Board of Directors of the respective company of the reports dealt with in an appropriate manner, for instance within Compliance reports. If the report relates to a criminal offense, the Board of Directors is obliged to file a criminal complaint. In the event that the report is directed against a member of the Board of Directors, the investigating person also informs the Supervisory Board of the respective company and the Board of Directors of the parent company of the Bank (i.e. J&T FINANCE GROUP SE).

However, the Compliance Department is obliged to inform the Board of Directors of the relevant company of any serious incident involving possible corrupt conduct, regardless of whether or not such conduct has come to light through a whistleblowing hotline.

Information on material facts related to the performance of compliance activities, including corruption, is part of the regular comprehensive Compliance Report, which is submitted to the Board of Directors and Supervisory Board of the relevant company at least once a year (or four times a year in the Bank).

Communication of anti-corruption and anti-bribery principles

The communication of anti-corruption and anti-bribery principles is primarily conducted by the Group's companies in relation to their employees through regular training sessions (see overview of individual training, including description of their content and other information), and also through a printed information bulletin that new employees receive upon onboarding. Ethical, anti-corruption and anti-bribery principles are comprehensively regulated in the internal regulations of individual companies (especially Code of Ethics and Conflict of Interest Management Rules), which employees are required to familiarize themselves with and which are permanently available to them on the intranet.

Externally, anti-corruption principles are communicated through the inclusion of this information in the annual reports of some of the Group companies. The companies may provide information about their anti-corruption principles to their contractual and business partners individually and upon request.

Training/educational programs on anti-corruption/anti-bribery principles

An introductory training is organized for new Group employees, where they are introduced to the Group's ethical and anti-corruption principles, issues related to the prevention of so-called money laundering, and the role of the Compliance Department and AML Department in these areas. Employees are informed about the rules for recording gifts, the obligation to report their outside income-generating activities or investments in the capital market. This training is conducted in person with the participation of staff from the Compliance Department and AML Department.

Furthermore, employees are required to complete e-learning training upon joining and subsequently at regular intervals, which contains information related to anti-corruption and anti-bribery principles. The most significant in this area is the Code of Ethics training, which presents the Group's core values and principles, the requirement for transparent, impartial and ethical conduct, and the prevention of conflicts of interest. In addition, it reminds employees of the possibility and obligation to report any unfair and unethical conduct they become aware of in connection with the performance of their work duties, either through the whistleblowing hotline, a superior or the Compliance Department or HR Department.

To increase awareness among individuals with significant influence on AML risk management, certain organizational units' employees are specially trained in the Bank. The Group also trains third parties regarding money laundering prevention and related processes, through which it conducts client identification, or insists that these parties undergo training with a trusted trainer in accordance with European Union legislation.

An overview of the individual trainings, including a description of their content and other information, is presented in the following table:

Training	*Table of Contents*	*Target group*	*Frequency*	*Number of people trained in 2024*	*Form*
Initial training	Questions related to the Group's core values and principles, ethical and anti-corruption principles, prevention of money laundering and terrorist financing, the role of the Compliance Department and AML Department, rules for recording gifts, obligation to report outside income-generating activities or investments in the capital market.	All employees	Upon onboarding	178	in person – full-day training
Code of Ethics	Core values and principles of the Group, requirement for transparent and impartial conduct, prevention of conflicts of interest, ethical conduct, whistleblowing.	All employees	Upon onboarding, then every 12 months	950	E-learning

AML	AML obligations; risks arising from non-compliance with AML principles; client identification; client verification; determining the beneficial owner of a legal entity (LE); AML risk factors; AML verification in Customer Relationship Management (CRM); indicators of suspicious transactions; what to do when an AML suspicious transaction is identified (LE); international sanctions; criminal liability; postponement or refusal to execute a client's order; duty of confidentiality.	All employees	Upon onboarding, then every 11 months	518	E-learning
Criminal liability of legal persons	How a company can commit a criminal offense; penalties; exemption from criminal liability; selected criminal offenses; overview of unwanted conduct; obligations of affected persons; whistleblowing.	All employees	Upon onboarding, then every 12 months	912	E-learning

Functions-at-risk covered by training programmes

The Group companies train all employees, i.e., 100% of functions-at-risk, in terms of adhering to ethical, anti-corruption and anti-bribery principles.

To increase awareness among individuals with significant influence on AML risk management, certain organizational units' employees in the Bank are specially trained, specifically in financial market support, credit risk management, active trade management, and trading.

Extent to which training is given to members of the administrative, management and supervisory bodies on anti-corruption and anti-bribery policies

The Group's companies train all employees, including members of the Boards of Directors and Supervisory Boards, in terms of adhering to ethical, anti-corruption, anti-bribery, and AML principles (see overview of individual training in the table above).

G1-4: Confirmed incidents of corruption or bribery

Convictions and fines for violation of anti-corruption and anti-bribery laws

None of the Group companies nor members of their statutory bodies and supervisory boards have been convicted for violations of anti-corruption and anti-bribery laws, nor have they been fined in this context.

Measures for addressing violations of anti-corruption and anti-bribery principles

The Group companies have established measures for addressing violations of anti-corruption and anti-bribery principles, including the following:

a) Whistleblowing measures: The Group Compliance Officer is responsible for receiving and processing reports of potential illegal or other unethical conduct, investigating the reports, and forwarding the investigation results to competent persons for subsequent action; the investigation results are passed to the Board of Directors as well.
b) Breach of work obligations: If a violation of anti-corruption and anti-bribery policies is proven, companies have clear procedures for sanctioning offenders, including possible termination of employment or other termination of cooperation.
c) Obligation to file a criminal complaint: The Board of Directors of a Group company is obliged to file a report of suspected criminal activity related to the company's operations in case of suspicion.

A thorough investigation of the case is a prerequisite for addressing any potential violation of these principles, and employees are obliged to report if they witness any corrupt or otherwise unethical practices.

G1 – Cybersecurity

Data and information represents one of the most important assets in the banking and financial sector. Ensuring their security is a process that involves all areas of security, including cybersecurity.

Cybersecurity is integrated into the Group's organisational management framework through several elements. At the highest level, the **Cybersecurity Governance Committee** is responsible for cybersecurity and is overseen by the Board of Directors. The Committee, which meets regularly to review all aspects of security policy and procedures, is made up of senior executives from various departments, including IT, Legal and Compliance, ensuring a comprehensive approach to security management. Meetings of the Committee shall be held at least once a quarter and special meetings may be convened if necessary. There is also a **Cyber Security Manager** who is responsible for designing and implementing corrective measures in accordance with legislative and regulatory requirements. In addition, he/she ensures that all security documents are regularly reviewed and updated, at least annually or when significant changes occur. At the operational level, cybersecurity is managed through the **Security Department**, which reviews all documentation related to information and cybersecurity; the department also plans and conducts internal audits to ensure compliance with legislative, regulatory and organisational requirements.

Policies adopted to manage cybersecurity

Internal policies on cybersecurity management

- security policy;
- management of information assets;
- IS/IT risk management;
- handling cyber security incidents;
- vulnerability management;
- automated testing;
- DORA digital operational resilience testing programme;
- disciplinary action for violations of the rules defined in the Security Policy;
- secure behaviour of users of information assets;
- security settings and classification of information assets;
- physical and environmental safety rules;
- organisational safety and health at work in J&T BANKA CR;
- organizational security of fire protection in the RUSTONKA building;
- security surveillance;
- IS/IT security policies.

The aim of the adopted security policies is to ensure the protection of all the Bank's assets. Policies ensure that risks and direct damages resulting from failures of internal processes and systems, human error or external events are minimised. The policies set out the safety principles, rules and measures that define safety objectives and create a comprehensive system that includes crisis planning, reputation protection, occupational health and safety and a Business Continuity Plan (BCP).

These policies are the responsibility of the company's senior management while the Director of Security of J&T BANKA, a.s. (OBE) is responsible for their validity. All employees of the company and external entities that are contractually or otherwise associated with the company (e.g. partners, suppliers) are responsible for their performance.

Cybersecurity is based on generally accepted standards ISO/IEC 2700x, the Cybersecurity Decree, and DORA (Digital Operational Resilience Act).

Actions and resources in relation to cybersecurity

The organisation has **several key strategies and measures** in place **to manage and mitigate cyber security risks**. A key priority is to provide effective 24/7 security monitoring that enables us to prevent or avoid risky behaviour. The deployment of modern tools allows us to evaluate the security of data flows, automate manual tasks and efficiently use financial and human resources. The Group regularly shares consolidated data and information on safety risks and new regulatory obligations with regulators. We regularly conduct internal audits and inspections to ensure compliance with safety rules and procedures. These audits help us to identify potential deficiencies and take corrective action.

Processes for identifying and assessing cybersecurity risks are carried out systematically and regularly in the organization. These processes involve several steps:

- **Identification of risks:** The first step is to identify potential risks that could compromise the security of information systems. This process involves analyzing threats and vulnerabilities that could be exploited by attackers.
- **Assessment of risks:** Risk identification is followed by risk assessment. This step involves assessing the likelihood of each risk occurring and its potential impact on the organisation. Risk assessment is carried out using quantitative and qualitative methods.
- **Management of risks:** Based on the results of the risk assessment, risk management and mitigation measures are taken. These measures may include technical, organisational and administrative measures to minimise the likelihood and impact of risks.
- **Monitoring and review:** Processes for identifying and assessing risks are regularly monitored and reviewed to ensure that they remain up-to-date and effective. Reviews shall be conducted at least annually or when significant changes in information systems or threats occur.
- **Internal audits:** Internal cybersecurity audits are conducted regularly, at least once a year, to verify compliance with obligations under the law and to assess the compliance of the security measures taken with the requirements under the applicable law and related regulations.

The basic task of the incident management process is to respond quickly to minimize the impact of the incident, restore all IT services to normal operation as quickly as possible, identify the main reasons that led to the incident and prevent its recurrence. Security incidents are recorded and reported to assess the effectiveness of implemented measures and identify opportunities for improvement. The effectiveness of the process is measured through regular training and regular process evaluation.

According to the directive, we have 30 days to fix "critical" and 90 days to fix "high" vulnerabilities. Vulnerability scanning is performed once a week.

Average time to detect and respond to incidents

- The response times to a security incident are as follows:
- Category I *(minor cyber incident, loss up to CZK 10 thousand)* – response 4 HOURS / resolution 48 hours;
- Category II *(significant cyber incident, loss CZK 10–100 thousand)* – response 1 HOUR / resolution 12 hours;
- Category III *(very significant cyber incident, loss over CZK 100 thousand)* – response IMMEDIATELY / resolution 3 hours.

The average time required to detect and respond to incidents varies depending on the complexity and severity of the incident. Security incidents are handled by the Bank's internal teams and the Director of Security. The desired goals include detecting incidents within minutes and responding to them within hours to minimize the impact on systems and data. No incidents of data breach, financial loss or reputational damage were recorded in 2024.

Safety training is conducted for each new employee. Once a year, every employee is required to complete online safety training (100% of all employees complete the training).

As part of the "We are all safety" program, employees received the following training in 2024:

- social engineering;
- cybercrooks;
- protection of personal data and sensitive information in terms of physical security;
- digital identity threats;
- basics of cyber security;
- the most notorious security threats of recent times.

The Group is in continuous contact with Czech National Bank, the National Office for Cyber and Information Security and the Czech Banking Association.

Response plans

Incidents are detected using monitoring tools and systems. Once an incident is detected, it is immediately reported to the incident response team (SIRT). The SIRT team conducts a rapid analysis of the incident to determine its scope and impact. Affected systems are isolated to prevent further spread of the threat. Based on the analysis, corrective measures are implemented to eliminate the threat and restore normal operations. These measures may include removing malware, restoring data from backups and strengthening security measures. Throughout the process, key stakeholders are kept regularly informed of the progress of the incident response. This includes internal communication with management and external communication with regulators where necessary. The incident response plan is regularly tested through simulated exercises and scenarios to ensure its effectiveness. Based on the results of these tests, the plan is updated and refined to meet the current threats and needs of the organisation.

Protection of sensitive data

Cryptographic algorithms are used to ensure the security of corporate data. These algorithms are regularly updated to meet current security standards. Encryption is used for data at rest, data in motion and data in use. Sensitive data is anonymised to minimise the risk of misuse. This process involves removing or changing identifying information so that data cannot be linked to specific individuals. Access to sensitive data is restricted to authorised persons only. This access is controlled through access control policies that include user authentication and authorization. To ensure the security of the developed applications, the Secure Software Development Life Cycle (SSDLC) framework is observed. These methodologies include security controls at every stage of development to minimize the risks associated with running applications.

GDPR

Our organisation complies with all GDPR requirements, including obtaining consent from data subjects, ensuring data subjects’ rights (e.g. the right to access, rectify and erase data) and implementing technical and organisational measures to protect personal data.

Other measures for 2025

The Group has recently implemented the requirements of the DORA regulation.

Beyond 2025, the plan is to continue upgrading security technologies to comply with the latest standards and best practices. This includes implementing advanced threat detection and prevention tools such as intrusion detection systems, advanced firewalls and endpoint protection technologies.

We will also continue to update and implement new cybersecurity policies that reflect current threats and regulatory requirements, e.g. policies aimed at data protection, incident response and access control.

Cybersecurity metrics and targets

Undetected phishing (KRI)

- The limit of undetected phishing attempts is set at 30 per month. When this limit is exceeded, the anti-phishing filter settings are revised. Our aim is to ensure that the limit is not exceeded more than once a year.
- In 2024, the limit was broken once.

Number of vulnerabilities identified and remediated within a certain timeframe

- The goal for 2025 is to reduce the number of vulnerabilities at endpoints by 30% compared to 2024.
- In 2024, there were about 12,000 vulnerabilities in total.

Security incidents

- For 2025, the limit for security incidents is set at two security incidents per month. The Group’s goal for 2025 is to have no safety incidents.
- There was no safety incident in 2024.

Data tampering detection

- For 2025, the goal is to maintain the status quo and continue to detect 100% of data tampering attempts.
- 100% of data tampering attempts were detected in 2024.

3.1 Appendix to the consolidated sustainability report

Table EUTAX 1: Summary of KPIs to be disclosed for the year 2024

million CZK		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (of 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)
Main KPI	**Green Asset Ratio (GAR) stock**	**1 022 ,41**	**0,63 %**	**0,82 %**	**51,53 %**	**94,57 %**	**48,47 %**

		Total environmentally sustainable activities	KPI	KPI	% coverage (of 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)
Additional KPIs	*GAR (flow)*	383,30	0,54%	0,57%	32,56%	95,25 %	67,44 %
	Financial guarantees	-	-	-			
	Asset under management	60,60	1,28 %	4,00 %			

***** % 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.**

Table EUTAX 2: Assets for the calculation of GAR for the year 2024 (Turnover KPI)

	million CZK	Total [gross] carrying amount	Disclosure reference date 31.12.2024																													
			Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (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 towards taxonomy relevant sectors (taxonomy-eligible)				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 towards taxonomy relevant sectors (taxonomy-eligible)				
				Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)		
					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	17 139	3 714	995	-	452	77	120	27	-	1	0	0	-	-	56	-	-	-	-	-	-	-	-	-	-	-	3 890	1 022	-	452	78
2	**Financial undertakings**	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4	Loans and advances	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	13 843	3 714	995	-	452	77	120	27	-	1	0	0	-	-	56	-	-	-	-	-	-	-	-	-	-	-	3 890	1 022	-	452	78
21	Loans and advances	11 996	3 608	910	-	425	38	112	19	-	-	-	-	-	-	39	-	-	-	-	-	-	-	-	-	-	-	3 760	929	-	452	38
22	Debt securities, including UoP	948	-	-	-	-	-	8	8	-	-	-	-	-	-	16	-	-	-	-	-	-	-	-	-	-	-	24	8	-	-	0
23	Equity instruments	899	106	85		27	40	-	-		-	0	0		-	-	-		-	-	-		-	-	-		-	106	85		27	40
24	**Households**	3 077	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
25	of which loans collateralised by residential immovable property	44	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	145 564	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	109 601																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	101 447																														
35	Loans and advances	89 781																														
36	of which loans collateralised by commercial immovable property	23 562																														
37	of which building renovation loans	-																														
38	Debt securities	1 833																														
39	Equity instruments	9 833																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	8 153																														
41	Loans and advances	8 104																														
42	Debt securities	-																														
43	Equity instruments	49																														
44	**Derivatives**	-																														
45	**On demand interbank loans**	153																														
46	**Cash and cash-related assets**	216																														
47	**Other categories of assets (e.g. goodwill, commodities etc.)**	35 594																														
48	**Total GAR assets**	162 703	3 714	995	-	452	77	120	27	-	1	0	0	-	-	56	-	-	-	-	-	-	-	-	-	-	-	3 890	1 022	-	452	78
49	**Assets not covered for GAR calculation**	153 047																														
50	**Central governments and Supranational issuers**	29 480																														
51	**Central banks exposure**	118 140																														
52	**Trading book**	5 426																														
53	**Total assets**	315 751	3 714	995	-	452	77	120	27	-	1	0	0	-	-	56	-	-	-	-	-	-	-	-	-	-	-	3 890	1 022	-	452	78
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																																

54	Financial guarantees	5 140	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 583	-	-	-	-
55	Asset under management	4 734	244	61	-	15	23	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	247	61	-	1	23
56	Of which debt securities	3 011	84	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	84	9	-	-	-
57	Of which equity instruments	1 723	160	52	-	15	23	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163	52	-	15	233

Table EUTAX 3: Assets for the calculation of GAR for the year 2023 (Turnover KPI)

	million CZK	Total [gross] carrying amount	Disclosure reference date 31.12.2023																													
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystem (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 towards taxonomy relevant sectors (taxonomy-eligible)				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 towards taxonomy relevant sectors (taxonomy-eligible)				
				Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)		
					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	8 282	506	489	-	316	113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	506	489	-	316	113
2	**Financial undertakings**	201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	5 875	506	489	-	316	113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	506	489	-	316	113
21	Loans and advances	3 806	386	383	-	280	57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	386	383	-	280	57
22	Debt securities, including UoP	1 312	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	758	119	105		36	56	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	119	105		36	56
24	**Households**	2 205	-	-	-	-	-	-	-	-	-					-	-	-	-				-	-	-			-	-	-	-	-
25	of which loans collateralised by residential immovable property	53	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	125 946	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	109 686																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	101 101																														
35	Loans and advances	89 180																														
36	of which loans collateralised by commercial immovable property	16 186																														
37	of which building renovation loans	-																														
38	Debt securities	2 707																														

39	Equity instruments	9 214																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	8 585																														
41	Loans and advances	8 524																														
42	Debt securities	-																														
43	Equity instruments	62																														
44	**Derivatives**	4 774																														
45	**On demand interbank loans**	110																														
46	**Cash and cash-related assets**	209																														
47	**Other categories of assets (e.g. goodwill, commodities etc.)**	11 167																														
48	**Total GAR assets**	134 228	506	489	-	316	113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	506	489	-	316	113
49	**Assets not covered for GAR calculation**	156 067																														
50	**Central governments and Supranational issuers**	13 835																														
51	**Central banks exposure**	140 287																														
52	**Trading book**	1 945																														
53	**Total assets**	290 294	506	489	-	316	113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	506	489	-	316	113
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	4 180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Asset under management	6 017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	4 535	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	1 481	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table EUTAX 4: Assets for the calculation of GAR for the year 2024 (CapEx KPI)

million CZK	Disclosure reference date 31.12.2024																											
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystem (BIO)				Total (CCM + CCA + WTR + CE + PPC			
	Total [gross] carrying amount	Of which towards taxonomy relevant sectors (taxonomy-eligible)					Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors (taxonomy-eligible)				Of which towards taxonomy relevant sectors eligible)			
			Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sus (taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitiona

	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	17 139	5 934	1 173	-	682	147	248	155	-	-	1	1	-	-	7	-	-	-	-	-	-	-	-	-	-	-	6 191	1 329	-	68
2	**Financial undertakings**	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Credit institutions	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Loans and advances	219	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		
20	**Non-financial undertakings**	13 843	5 935	1 173	-	682	147	248	155	-	-	1	1	-	-	7	-	-	-	-	-	-	-	-	-	-	-	6 191	1 329	-	68
21	Loans and advances	11 996	5 48	962	-	643	8	203	110	-	-	-	-	-	-	5	-	-	-	-	-	-	-	-	-	-	-	5 694	1 072	-	64
22	Debt securities, including UoP	948	94	-	-	-	-	45	45	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	141	45	-	
23	Equity instruments	899	355	210		39	139	-	-		-	1	1		-	-	-		-	-	-		-	-	-		-	356	211		3
24	**Households**	3 077	-	-	-	-	-	-	-	-	-					-	-	-	-				-	-	-			-	-	-	
25	of which loans collateralised by residential immovable property	44	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-					-	-	-	-	-								-	-	-	

27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	145 564	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	**Financial and Non-financial undertakings**	109 601																													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	101 447																													
35	Loans and advances	89 781																													
36	of which loans collateralised by commercial immovable property	23 562																													
37	of which building renovation loans	-																													
38	Debt securities	1 833																													
39	Equity instruments	9 833																													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	8 153																													
41	Loans and advances	8 104																													
42	Debt securities	-																													
43	Equity instruments	49																													
44	**Derivatives**	-																													
45	**On demand interbank loans**	153																													
46	**Cash and cash-related assets**	216																													
47	**Other categories of assets (e.g. goodwill, commodities etc.)**	35 594																													
48	**Total GAR assets**	162 703	5 935	1 173	-	682	147	248	155	-	-	1	1	-	-	7	-	-	-	-	-	-	-	-	-	-	-	**6 191**	**1 329**	-	68
49	**Assets not covered for GAR calculation**	153 047																													
50	**Central governments and Supranational issuers**	29 480																													
51	**Central banks exposure**	118 141																													
52	**Trading book**	5 426																													
53	**Total assets**	315 751	5 935	1 173	-	682	147	248	155	-	-	1	1	-	-	7	-	-	-	-	-	-	-	-	-	-	-	**6 191**	**1 329**	-	68

	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																														
54	Financial guarantees	5 140	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	
55	Asset under management	4 734	665	189	0	22	80	3	0	-	0	1	1	-	-	0	-	-	-	-	-	-	-	-	-	-	-	668	189	0	2
56	Of which debt securities	3 011	209	61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	209	61	-	
57	Of which equity instruments	1 723	456	128	0	22	80	3	0	-	0	1	1	-	-	0	-	-	-	-	-	-	-	-	-	-	-	459	128	0	2

Table EUTAX 5: Assets for the calculation of GAR for the year 2023 (CapEx KPI)

	milion CZK	Disclosure reference date 31.12.2023																														
		Total [gross] carrying amount	**Climate Change Mitigation (CCM)**					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (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 towards taxonomy relevant sectors (taxonomy-eligible)				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 towards taxonomy relevant sectors (taxonomy-eligible)				
				Of which environmentally sustainable (taxonomy-aligned)					Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)				Of which environmentally sustainable (taxonomy-aligned)		
					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	8 282	458	435	-	238	147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	458	435	-	238	147
2	**Financial undertakings**	201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	5 875	458	435	-	238	147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	458	435	-	238	147
21	Loans and advances	3 806	233	231	-	200	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	233	231	-	200	6
22	Debt securities, including UoP	1 312	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	758	225	204		38	141	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	225	204		38	141
24	**Households**	2 205	-	-	-	-	-	-	-	-	-					-	-	-	-				-	-	-			-	-	-	-	-
25	of which loans collateralised by residential immovable property	53	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	125 946	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	109 686																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	101 101																														
35	Loans and advances	8 9180																														
36	of which loans collateralised by commercial immovable property	16 186																														
37	of which building renovation loans	-																														
38	Debt securities	2 707																														

39	Equity instruments	9 214																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	8 585																														
41	Loans and advances	8 523																														
42	Debt securities	-																														
43	Equity instruments	62																														
44	**Derivatives**	4774																														
45	**On demand interbank loans**	110																														
46	**Cash and cash-related assets**	209																														
47	**Other categories of assets (e.g. goodwill, commodities etc.)**	11167																														
48	**Total GAR assets**	134 228	458	435	-	238	147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	458	435	-	238	147
49	**Assets not covered for GAR calculation**	156 067																														
50	**Central governments and Supranational issuers**	13 835																														
51	**Central banks exposure**	140 287																														
52	**Trading book**	1 945																														
53	**Total assets**	290 294	458	435	-	238	147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	458	435	-	238	147
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	4 180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Asset under management	6 017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	4 535	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	1 481	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table EUTAX 6: GAR sector information for the year 2024 (Turnover KPI)

	Climate Change Mitigation (CCM)				**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (BIO)**				**Total (CCM + CCA + WTR + CE + PPC + BIO)**			
	Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector – NACE 4 digits level (code and label)	Mil. CZK	Of which environmentally sustainable (CCM)	Mil. CZK	Of which environmentally sustainable (CCM)	Mil. CZK	Of which environmentally sustainable (CC-A)	Mil. CZK	Of which environmentally sustainable (CCA)	Mil. CZK	Of which environmentally sustainable (WTR)	Mil. CZK	Of which environmentally sustainable (WTR)	Mil. CZK	Of which environmentally sustainable (CE)	Mil. CZK	Of which environmentally sustainable (CE)	Mil. CZK	Of which environmentally sustainable (PPC)	Mil. CZK	Of which environmentally sustainable (PPC)	Mil. CZK	Of which environmentally sustainable (BIO)	Mil. CZK	Of which environmentally sustainable (BIO)	Mil. CZK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mil. CZK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
35.10: Production, transmissio	549	546			-	-			-	-			-	-			-	-			-	-			549	546		

n, and distribution of electricity																												
35.11: Production of electricity	99	85			-	-			0	0			-	-			-	-			-	-			99	85		
55.10: Hotels and similar accommodation	770	98			-	-			-	-			-	-			-	-			-	-			770	98		
64.20: Activities of holding companies	0	-			-	-			-	-			-	-			-	-			-	-			-	-		
68.20: Renting and operating of own or leased real estate	2083	266			-	-			-	-			-	-			-	-			-	-			2 083	266		
69.20: Accounting, bookkeeping, and auditing activities; tax consultancy	100	-			93	-			-	-			-	-			-	-			-	-			193	-		
70.10: Activities of head offices	-	-			27	27			-	-			56	-			-	-			-	-			83	27		
93.11: Operation of sports facilities	114	-			-	-			-	-			-	-			-	-			-	-			114	-		

Table EUTAX 7: GAR sector information for the year 2024 (CapEx KPI)

	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystem (BIO)				Total (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other non-financial corporations not subject to the NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector – NACE 4 digits level (code and label)	Mil. CZK	Of which environmentally sustainable (CCM)	Mil. CZK	Of which environmentally sustainable (CCM)	Mil. CZK	Of which environmentally sustainable (CCA)	Mil. CZK	Of which environmentally sustainable (CCA)	Mil. CZK	Of which environmentally sustainable (WTR)	Mil. CZK	Of which environmentally sustainable (WTR)	Mil. CZK	Of which environmentally sustainable (CE)	Mil. CZK	Of which environmentally sustainable (CE)	Mil. CZK	Of which environmentally sustainable (PPC)	Mil. CZK	Of which environmentally sustainable (PPC)	Mil. CZK	Of which environmentally sustainable (BIO)	Mil. CZK	Of which environmentally sustainable (BIO)	Mil. CZK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mil. CZK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
35.10: Production, transmission, and distribution of electricity	671	669			-	-			-	-			-	-			-	-			-	-			671	669		
35.11: Production of electricity	229	210			-	-			1	1			-	-			-	-			-	-			230	211		
55.10: Hotels and	739	79			-	-			-	-			-	-			-	-			-	-			739	79		

similar accommodation																												
64.20: Activities of holding companies	0	-			-	-			-	-			-	-			-	-			-	-			-	-		
68.20: Renting and operating of own or leased real estate	1999	214			-	-			-	-			-	-			-	-			-	-			1999	214		
69.20: Accounting, bookkeeping, and auditing activities; tax consultancy	173	-			93	-			-	-			-	-			-	-			-	-			266	-		
70.10: Activities of head offices	333	-			155	155			-	-			7	-			-	-			-	-			459	155		
93.11: Operation of sports facilities	1791	-			-	-			-	-			-	-			-	-			-	-			1791	-		

Table EUTAX 8: GAR KPI stock for the year 2024 (Turnover KPI)

	% (compared to total covered assets in the denominator)	Disclosure reference date 31.12.2024																														
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (BIO)**				**Total (CCM + CCA + WTR + CE + PPC + BIO)**					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				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 assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligable for GAR calculation	22%	6%	-%	3%	0%	1%	0%	-%	0%	0%	0%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	23%	6%	-%	3%	0%	5%
2	**Financial undertakings**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
3	Credit institutions	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
4	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%

5	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
6	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
7	Other financial undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
8	of which investment firms	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
9	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
10	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
11	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
12	of which management companies	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
13	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
14	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
15	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
16	of which insurance undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
17	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
18	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
19	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
20	**Non-financial undertakings**	27%	7%	-%	3%	1%	1%	0%	-%	0%	0%	0%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	28%	7%	-%	3%	1%	4%
21	Loans and advances	30%	8%	-%	4%	0%	1%	0%	-%	0%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	31%	8%	-%	4%	0%	4%
22	Debt securities, including UoP	-%	-%	-%	-%	-%	1%	1%	-%	0%	-%	-%	-%	-%	2%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	3%	1%	-%	-%	0%	0%
23	Equity instruments	12%	9%		3%	4%	-%	-%		-%	0%	0%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	12%	9%		3%	4%	0%
24	**Households**	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%										-%	-%	-%	-%	1%
25	of which loans collateralised by residential immovableproperty	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
26	of which building renovation loans	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	0%
27	of which motor vehicle loans	-%	-%	-%	-%	-%																					-%	-%	-%	-%	-%	-%
28	**Local governments financing**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
29	Housing financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
30	Other local governments financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
31	**Collateral obtained by taking possession:**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%

	residential and commercial immovable properties																															
32	**Total GAR assets**	2%	1%	-%	0%	0%	0%	0%	-%	0%	0%	0%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%		2%	1%	-%	0%	0%	52%

Table EUTAX 9: GAR KPI stock for the year 2023 (Turnover KPI)

% (compared to total covered assets in the denominator)		Disclosure reference date 31.12.2023																														
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (BIO)**				**Total (CCM + CCA + WTR + CE + PPC + BIO)**					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				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 assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligable for GAR calculation	6%	6%	-%	4%	1%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	6%	6%	-%	4%	1,	3%
2	**Financial undertakings**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
3	Credit institutions	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
4	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
5	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
6	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
7	Other financial undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
8	of which investment firms	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
9	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
10	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
11	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%

12	of which management companies	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
13	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
14	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
15	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
16	of which insurance undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
17	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
18	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
19	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
20	**Non-financial undertakings**	9%	8%	-%	5%	2%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	9%	8%	-%	5%	2%	2%
21	Loans and advances	10%	10%	-%	7%	1%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	10%	10%	-%	7%	1%	1%
22	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
23	Equity instruments	16%	14%		5%	7%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	16%	14%		5%	7%	0%
24	**Households**	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	1%
25	of which loans collateralised by residential immovableproperty	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	0%
26	of which building renovation loans	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
27	of which motor vehicle loans	-%	-%	-%	-%	-%																					-%	-%	-%	-%	-%	-%
28	**Local governments financing**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
29	Housing financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
30	Other local governments financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
32	**Total GAR assets**	0%	0%	-%	0%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%	0%	-%	0%	0%	46%

Table EUTAX 10: GAR KPI stock for the year 2024 (CapEx KPI)

% (compared to total covered assets in the denominator)	Disclosure reference date 31.12.2024							
	Climate Change Mitigation (CCM)	**Climate Change Adaptation (CCA)**	**Water and Marine Resources (WTR)**	**Circular Economy (CE)**	**Pollution (PPC)**	**Biodiversity and Ecosystem (BIO)**	**Total (CCM + CCA + WTR + CE + PPC + BIO)**	

		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				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 assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligable for GAR calculation	35%	7%	-%	4%	1%	1%	1%	-%	-%	0%	0%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	36%	8%	0%	4%	1%	5%
2	**Financial undertakings**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
3	Credit institutions	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
4	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
5	Debt securities , including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
6	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
7	Other financial undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
8	of which investment firms	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
9	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
10	Debt securities , including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
11	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
12	of which management companies	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
13	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
14	Debt securities , including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
15	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
16	of which insurance undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%

17	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
18	Debt securities , including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
19	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
20	**Non-financial undertakings**	43 %	8%	-%	5%	1%	2 %	1 %	-%	-%	0 %	0 %	-%	-%	0 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	45 %	10 %	-%	5%	1%	4%
21	Loans and advances	46 %	8%	-%	5%	0%	2 %	1 %	-%	-%	-%	-%	-%	-%	0 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	47 %	9%	-%	5%	0%	4%
22	Debt securities , including UoP	10 %	-%	-%	-%	-%	5 %	5 %	-%	-%	-%	-%	-%	-%	0 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	15 %	5%	-%	-%	-%	0%
23	Equity instruments	39 %	23 %		4%	15%	-%	-%		-%	0 %	0 %		-%	-%	-%		-%	-%	-%		-%	-%	-%	-	-%	40 %	24 %		4%	15%	0%
24	**Households**	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	1%
25	of which loans collateralised by residential immovable	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	0%
26	of which building renovation loans	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
27	of which building renovation loans	-%	-%	-%	-%	-%																					-%	-%	-%	-%	-%	-%
28	**Local governments financing**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
29	Housing financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
30	Other local governments financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
32	**Total GAR assets**	4%	1%	-%	0%	0%	0 %	0 %	-%	-%	0 %	0 %	-%	-%	0 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	4%	1%	-%	0%	0%	52%

Table EUTAX 11: GAR KPI stock for the year 2023 (CapEx KPI)

% (compared to total covered assets in the denominator)	Disclosure reference date 31.12.2023														
	Climate Change Mitigation (CCM)		**Climate Change Adaptation (CCA)**		**Water and Marine Resources (WTR)**		**Circular Economy (CE)**		**Pollution (PPC)**		**Biodiversity and Ecosystem (BIO)**		**Total (CCM + CCA + WTR + CE + PPC + BIO)**		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		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 assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	

				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligable for GAR calculation	6%	5%	-%	3%	2%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	6%	5%	-%	3%	2%	3%
2	**Financial undertakings**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
3	Credit institutions	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
4	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
5	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
6	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
7	Other financial undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
8	of which investment firms	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
9	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
10	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
11	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
12	of which management companies	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
13	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
14	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
15	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
16	of which insurance undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
17	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
18	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
19	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
20	**Non-financial undertakings**	8%	7%	-%	4%	23%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	8%	7%	-%	4%	3%	2%
21	Loans and advances	6%	6%	-%	5%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	6%	6%	-%	5%	0%	1,%
22	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%

23	Equity instruments	30%	27%		5%	19%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	30%	27%		5%	19%	0%
24	**Households**	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	1%
25	of which loans collateralised by residential immovableproperty	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	0%
26	of which building renovation loans	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
27	of which motor vehicle loans	-%	-%	-%	-%	-%																					-%	-%	-%	-%	-%	-%
28	**Local governments financing**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
29	Housing financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
30	Other local governments financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
32	**Total GAR assets**	0%	0%	-%	0%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%	0%	-%	0%	0%	46%

Table EUTAX 12: GAR KPI flow for the year 2024 (Turnover KPI)

% (compared to total covered assets in the denominator)		Disclosure reference date 31.12.2024																												
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (BIO)**				**Total (CCM + CCA + WTR + CE + PPC + BIO)**					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				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 assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligable for GAR calculation	28%	4%	-%	-%	-%	1%	0%	-%	0%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	30%	4%	-%	-%	0%	5%
2	**Financial undertakings**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
3	Credit institutions	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%

4	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
5	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
6	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
7	Other financial undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
8	of which investment firms	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
9	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
10	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
11	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
12	of which management companies	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
13	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
14	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
15	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
16	of which insurance undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
17	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
18	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
19	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
20	**Non-financial undertakings**	33 %	4%	-%	-%	-%	1%	0%	-%	0%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	34 %	4%	-%	-%	0%	4%
21	Loans and advances	33 %	4%	-%	-%	-%	1%	0%	-%	0%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	34 %	4%	-%	-%	0%	4%
22	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
23	Equity instruments	-%	-%	-%	-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
24	**Households**	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	1%
25	of which loans collateralised by residential immovableproperty	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
26	of which building renovation loans	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
27	of which motor vehicle loans	-%	-%	-%	-%	-%																					-%	-%	-%	-%	-%	-%
28	**Local governments financing**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
29	Housing financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
30	Other local governments financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%

31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
32	**Total GAR assets**	4%	1%	-%	-%	-%	0%	0%	-%	0%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	4%	1%	-%	-%	0%	33%

Table EUTAX 13: GAR KPI flow for the year 2024 (CapEx KPI)

	% (compared to total covered assets in the denominator)	Disclosure reference date 31.12.2024																														
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (BIO)**				**Total (CCM + CCA + WTR + CE + PPC + BIO)**					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				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 assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligable for GAR calculation	45 %	3%	-%	-%	-%	2%	1%	-%	-%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	47 %	4%	-%	-%	-%	5%
2	**Financial undertakings**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
3	Credit institutions	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
4	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0%
5	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
6	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
7	Other financial undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
8	of which investment firms	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
9	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
10	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
11	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%

12	of which management companies	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
13	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
14	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
15	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
16	of which insurance undertakings	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
17	Loans and advances	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
18	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
19	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
20	**Non-financial undertakings**	52 %	3%	-%	-%	-%	2%	1%	-%	-%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	54 %	4%	-%	-%	-%	4%
21	Loans and advances	52 %	3%	-%	-%	-%	2%	1%	-%	-%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	54 %	4%	-%	-%	-%	4%
22	Debt securities, including UoP	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
23	Equity instruments	-%	-%		-%	-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%		-%	-%	-%
24	**Households**	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	1%
25	of which loans collateralised by residential immovableproperty	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
26	of which building renovation loans	-%	-%	-%	-%	-%	-%	-%	-%	-%					-%	-%	-%	-%									-%	-%	-%	-%	-%	-%
27	of which motor vehicle loans	-%	-%	-%	-%	-%																					-%	-%	-%	-%	-%	-%
28	**Local governments financing**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
29	Housing financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
30	Other local governments financing	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
32	**Total GAR assets**	7%	0%	-%	-%	-%	0%	0%	-%	-%	-%	-%	-%	-%	0%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	7%	1%	-%	-%	-%	33%

Table EUTAX 14: KPI stock – Off-balance sheet exposures for the year 2024 (Turnover KPI)

% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31.12.2024						
	Climate Change Mitigation (CCM)	**Climate Change Adaptation (CCA)**	**Water and Marine Resources (WTR)**	**Circular Economy (CE)**	**Pollution (PPC)**	**Biodiversity and Ecosystem (BIO)**	**Total (CCM + CCA + WTR + CE + PPC + BIO)**

		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,00 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0,00 %	-%	-%	-%	-%
2	Asset under management (AuM KPI)	5,16 %	1,28 %	0,00%	0,32%	0,48%	0,06 %	0,00 %	-%	-%	0,00 %	0,00 %	-%	-%	0,00 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	5,22 %	1,28 %	0,00%	0,32%	0,48%

Table EUTAX 15: KPI stock – Off-balance sheet exposures for the year 2024 (CapEx KPI)

% (compared to total eligible off-balance sheet assets)		Disclosure reference date 31.12.2024																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystem (BIO)				Total (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0,01%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0,01%	-%	-%	-%	-%
2	Asset under management (AuM KPI)	14,05 %	3,99 %	0,00%	0,46%	1,68%	0,05 %	0,00 %	-%	0,00%	0,01 %	0,01 %	-%	-%	0,00 %	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	14,11 %	4,00 %	0,00%	0,46%	1,68%

Table EUTAX 16: KPI flow – Off-balance sheet exposures for the year 2024 (Turnover KPI)

% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31.12.2024						
	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and Marine Resources (WTR)	Circular Economy (CE)	Pollution (PPC)	Biodiversity and Ecosystem (BIO)	Total (CCM + CCA + WTR + CE + PPC + BIO)
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)

			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
2	Asset under management (AuM KPI)	0,10%	0,05%	-%	0,01%	0,02%	0,02%	-%	-%	-%	0,00%	0,00%	-%	-%	0,00%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0,00%	0,11%	0,05%	-%	0,01%	0,02%

Table EUTAX 17: KPI flow – Off-balance sheet exposures for the year 2024 (CapEx KPI)

	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31.12.2024																												
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystem (BIO)**				**Total (CCM + CCA + WTR + CE + PPC + BIO)**				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
2	Asset under management (AuM KPI)	0,17%	0,11%	-%	0,02%	0,07%	0,02%	-%	-%	-%	0,00%	0,00%	-%	-%	0,00%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%	0,18%	0,11%	0,00%	0,02%	0,07%

Table EUTAX 18: Nuclear energy related activities and fossil gas related activities – Credit institutions: GAR KPI stock for the year 2024

Nuclear energy related activities	
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
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Table EUTAX 19: Taxonomy-aligned economic activities (denominator) – Credit institutions: GAR KPI stock for the year 2024 (Turnover KPI)

Economic Activities	Amount (mil. CZK) and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	451	0,24%	451	0,24%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	571	0,30%	544	0,29%	27	0,01%
Total applicable KPI	1 022	0,54%	995	0,52%	27	0,01%

Table EUTAX 20: Taxonomy-aligned economic activities (denominator) – Credit institutions: GAR KPI stock for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5	0,00%	5	0,00%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	675	0,36%	675	0,36%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0,00%	1	0,00%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	647	0,34%	492	0,26%	155	0,08%
Total applicable KPI	1 328	0,70%	1 173	0,62%	155	0,08%

Table EUTAX 21: Taxonomy-aligned economic activities (numerator) – Credit institutions: GAR KPI stock for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)

	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	451	44,15%	451	44,15%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	571	55,85%	544	53,18%	27	2,66%
Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	1 022	100,00%	995	97,34%	27	2,66%

Table EUTAX 22: Taxonomy-aligned economic activities (numerator) – Credit institutions: GAR KPI stock for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	5	0,38%	5	0,38%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	675	50,82%	675	50,82%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	0,07%	1	0,07%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	647	48,73%	492	37,04%	155	11,70%
Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	1 328	100,00%	1 173	88,30%	155	11,70%

Table EUTAX 23: Taxonomy-eligible but not taxonomy-aligned economic activities – Credit institutions: GAR KPI stock for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%

Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0,00%	3	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	0,00%	2	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2 807	1,48%	2 714	1,43%	93	0,05%
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	2 812	1,48%	2 719	1,43%	93	0,05%

Table EUTAX 24: Taxonomy-eligible but not taxonomy-aligned economic activities – Credit institutions: GAR KPI stock for the year 2024 (CapEx KPI)

	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		**Climate Change Mitigation (CCM)**		**Climate Change Adaptation (CCA)**	
Economic Activities	**Amount**	%	**Amount**	%	**Amount**	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	0,00%	2	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0,00%	3	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0,00%	1	0,00%	-	-%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4 849	2,56%	3 832	2,02%	1 017	0,54%
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	4 855	2,56%	3 838	2,02%	1 017	0,54%

Table EUTAX 25: Taxonomy non-eligible economic activities – Credit institutions: GAR KPI stock for the year 2024 (Turnover KPI)

Economic Activities	**Amount**	**Percentage**
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%

Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	13 305	7,02%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	13 305	7,02%

Table EUTAX 26: Taxonomy non-eligible economic activities – Credit institutions: GAR KPI stock for the year 2024 (CapEx KPI)

Economic Activities	Amount	Percentage
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	10 949	5,77%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	10 949	5,77%

Table EUTAX 27: Nuclear energy related activities and fossil gas related activities – Credit institutions: GAR KPI flow for the year 2024

Nuclear energy related activities	
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
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
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	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
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
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

Table EUTAX 28: Nuclear energy related activities and fossil gas related activities – KPI Financial guarantees – stock for the year 2024

Nuclear energy related activities	
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
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
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	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
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
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

Table EUTAX 29: Nuclear energy related activities and fossil gas related activities – KPI Asset under management – stock for the year 2024

Nuclear energy related activities	
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
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Table EUTAX 30: Taxonomy-aligned economic activities (denominator) – Credit institutions: KPI Asset under management – stock for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	15	0,31%	15	0,31%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	46	0,97%	46	0,97%	0	0,00%
Total applicable KPI	61	1,28%	61	1,28%	0	0,00%

Table EUTAX 31: Taxonomy-aligned economic activities (denominator) – Credit institutions: KPI Asset under management – stock for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0,06%	3	0,06%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	18	0,37%	18	0,37%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12	0,26%	12	0,26%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	156	3,30%	156	3,30%	0	0,00%
Total applicable KPI	156	3,30%	156	3,39%	0	0,00%

Table EUTAX 32: Taxonomy-aligned economic activities (numerator) – Credit institutions: KPI Asset under management – stock for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	15	24,40%	15	24,40%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	46	75,60%	46	75,60%	0	0,00%
Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	61	100,00%	61	100,00%	0	0,00%

Table EUTAX 33: Taxonomy-aligned economic activities (numerator) – Credit institutions: KPI Asset under management – stock for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)

	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3	1,49%	3	1,49%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	18	9,31%	18	9,31%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	12	6,43%	12	6,43%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	156	82,77%	156	82,77%	0	0,00%
Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	189	100,00%	189	100,00%	0	0,00%

Table EUTAX 34: Taxonomy-eligible but not taxonomy-aligned economic activities – Credit institutions: KPI Asset under management – stock for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	60	1,26%	60	1,26%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0,02%	1	0,02%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%	0	0,00%	-	-%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	126	2,65%	123	2,59%	3	0,06%
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	186	3,94%	184	3,88%	3	0,06%

Table EUTAX 35: Taxonomy-eligible but not taxonomy-aligned economic activities– Credit institutions: KPI Asset under management – stock for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)

	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	136	2,88%	136	2,88%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	0,04%	2	0,04%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0,01%	1	0,01%	-	-%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	340	7,18%	337	7,12%	3	0,05%
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	479	10,11%	476	10,05%	3	0,05%

Table EUTAX 36: Taxonomy non-eligible economic activities– Credit institutions: KPI Asset under management – stock for the year 2024 (Turnover KPI)

Economic Activities	Amount	Percentage
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	822	17,37%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	823	17,37%

Table EUTAX 37: Taxonomy non-eligible economic activities – Credit institutions: KPI Asset under management – stock for the year 2024 (CapEx KPI)

Economic Activities	Amount	Percentage
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%

Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	402	8,48%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	402	8,49%

Table EUTAX 38: Summary of KPIs to be disclosed by investment firms (IF) according to Article 8 of the Taxonomy Regulation for the year 2024

		Total environmentally sustainable assets	KPI (*2)	KPI (*3)	% coverage (of total assets) (*1)
Main KPI (for proprietary trading)	**Green asset ratio**	**0**	**0,17%**	**0,97%**	**100,00 %**

(*1) % of assets covered by the KPI over total assets.
(*2) Based on the Turnover KPI of the counterparty.
(*3) Based on the CapEx KPI of the counterparty.

Table EUTAX 39 KPI IF – Dealing on own account services for the year 2024 (Turnover KPI)

				Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			Sustainable Use and Protection of Water and Marine Resources (WTR)			Transition to a Circular Economy (CE)			Pollution Prevention and Control (PPC)			Protection and Restoration of Biodiversity and Ecosystem (BIO)			TOTAL (CCM+CCA+WTR+CE+PPC+BIO)			
				Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)				Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			
					Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)				Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)		
		Total (mil CZK)	Of which covered by the KPI (mil. CZK)			Of which transitional (%)	Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which transitional (%)	Of which enabling (%)
1	**Total assets invested under investment firms' activities dealing on own account (as per Section A of Annex I to Directive 2014/65/EU)**	41,83	41,83	-%	-%	-%	-%	0,05%	0,05%	0,00%	-%	-%	-%	0,11%	-%	-%	-%	-%	-%	-%	-%	-%	0,17%	0,05%	-%	0,00%
2	Of which: on own behalf	41,83	41,83	-%	-%	-%	-%	0,05%	0,05%	0,00%	-%	-%	-%	0,11%	-%	-%	-%	-%	-%	-%	-%	-%	0,17%	0,05%	-%	0,00%
3	Of which: on behalf of clients																									

Table EUTAX 40: KPI IF – Dealing on own account services for the year 2024 (CapEx KPI)

				Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			Water and Marine Resources (WTR)			Circular Economy (CE)			Pollution Prevention and Control (PPC)			Protection and Restoration of Biodiversity and Ecosystem (BIO)			TOTAL (CCM+CCA+WTR+CE+PPC+BIO)			
				Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)				Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			Of which assets covered by the EU taxonomy (%) (taxonomy-eligible)			
					Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)				Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)			Of which linked to activities aligned with the EU taxonomy (%) (taxonomy-aligned)		
		Total (mil CZK)	Of which covered by the KPI (mil. CZK)			Of which transitional (%)	Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which transitional (%)	Of which enabling (%)

1	**Total assets invested under investment firms' activities dealing on own account (as per Section A of Annex I to Directive 2014/65/EU)**	41,83	41,83	0,64%	-%	-%	-%	0,31%	0,31%	-%	-%	-%	-%	0,01%	-%	-%	-%	-%	-%	-%	-%	-%	0,97%	0,31%	-%	-%
2	Of which: on own behalf	41,83	41,83	0,64%	-%	-%	-%	0,31%	0,31%	-%	-%	-%	-%	0,01%	-%	-%	-%	-%	-%	-%	-%	-%	0,97%	0,31%	-%	-%
3	Of which: on behalf of clients																									

Table EUTAX 41: Nuclear energy related activities and fossil gas related activities – Investment firms for the year 2024

Nuclear energy related activities	
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
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
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	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
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
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

Table EUTAX 42: KPIs of Asset managers for the year 2024

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**, with following weights for investments in undertakings per below: Turnover-based: 0,24 % CapEx-based: 0,57 %	The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: CZK 588 mil CapEx-based: CZK 1 359 mil
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities, Coverage ratio: 99,06%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage: CZK 245 112 mil
Additional, complementary disclosures: breakdown of **denominator** of the KPI	
The percentage of derivatives relative to total assets covered by the KPI: 0,00 %	The value in monetary amounts of derivatives: CZK 0.4 mil
The proportion of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: Non-financial undertakings: N/A % Financial undertakings: N/A %	Value of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**: Non-financial undertakings: N/A Financial undertakings: N/A
The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: Non-financial undertakings: N/A % Financial undertakings: N/A %	Value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**: Non-financial undertakings: N/A Financial undertakings: N/A
The proportion of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI**: Non-financial undertakings: 1,99 % Financial undertakings: 0,56 %	Value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**: Non-financial undertakings: CZK 4 873 mil Financial undertakings: CZK 1 370 mil

The proportion of **exposures to other counterparties and assets** over total assets covered by the KPI: NA %		Value of **exposures to other counterparties and assets**: N/A
The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI: Turnover-based: 98,97 % CapEx-based: 98,51%		Hodnota všech investic, jež financují Economic Activities, které nejsou způsobilé pro taxonomii: Turnover-based: CZK 242 581 mil CapEx-based: CZK 241 470 mil
The value of all the investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned relative to the value of** total assets covered by the KPI Turnover-based: 0,79 % CapEx-based: 0,92 %		Value of all the investments that are funding Taxonomy- eligible economic activities, **but not taxonomy- aligned**: Turnover-based: CZK 1 943 mil CapEx-based: CZK 2 246 mil
Additional, complementary disclosures: breakdown of **numerator** of the KPI		
The proportion of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: Non-financial undertakings: Turnover-based: 0,24 % CapEx-based: 0,56 % Financial undertakings: Turnover-based: 0,00 % CapEx-based: 0,01 %		Value of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**: Non-financial undertakings: Turnover-based: CZK 578 mil CapEx-based: CZK 1 383 mil Financial undertakings: Turnover-based: CZK 10 mil CapEx-based: CZK 13 mil
The proportion of **Taxonomy-aligned exposures to other counterparties and assets** over total assets covered by the KPI: Turnover-based: - % CapEx-based: - %		Value of **taxonomy-aligned exposures to other counterparties and assets**: Turnover-based: - CZK CapEx-based: - CZK
Breakdown of the numerator of the KPI per environmental objective		
Taxonomy-aligned activities:		
(1) Climate Change Mitigation	Turnover: 0,24 % CapEx: 0,57%	Transitional activities: 0,04 %; 0,06 % (Turnover; CapEx) Enabling activities: 0,07 %; 0,23 % (Turnover; CapEx)
(2) Climate Change Adaptation	Turnover: 0,00 % CapEx: 0,00 %	Transitional activities: -% (Turnover; CapEx) Enabling activities: 0,00 % (Turnover; CapEx)
(3) The sustainable use and protection of water and marine resources	Turnover: 0,00 % CapEx: 0,00 %	Transitional activities: -% (Turnover; CapEx) Enabling activities: -% (Turnover; CapEx)
(4) The transition to a circular economy	Turnover: -% CapEx: -%	Transitional activities: -% (Turnover; CapEx) Enabling activities: -% (Turnover; CapEx)
(5) Pollution prevention and control	Turnover: -% CapEx: -%	Transitional activities: -% (Turnover; CapEx) Enabling activities: -% (Turnover; CapEx)
(6) The protection and restoration of biodiversity and ecosystems	Turnover: -% CapEx: -%	Transitional activities: -% (Turnover; CapEx) Enabling activities: -% (Turnover; CapEx)

Table EUTAX 43: Nuclear energy related activities and fossil gas related activities – Asset managers for the year 2024

Nuclear energy related activities	
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
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
Fossil gas related activities	

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Table EUTAX 44: Taxonomy-aligned economic activities (denominator) – Asset managers: KPI for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	104	0,04%	104	0,04%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	484	0,20%	483	0,20%	1	0,00%
Total applicable KPI	588	0,24%	587	0,24%	1	0,00%

Table EUTAX 45: Taxonomy-aligned economic activities (denominator) – Asset managers: KPI for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	20	0,01%	20	0,01%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	124	0,05%	124	0,05%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	72	0,03%	72	0,03%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%	0	0,00%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1 176	0,48%	1 170	0,48%	6	0,00%

Total applicable KPI	1 392	0,57%	1 386	0,57%	6	0,00%

Table EUTAX 46: Taxonomy-aligned economic activities (numerator) – Asset managers: KPI for the year 2024 (Turnover KPI)

Economic Activities	**Amount and proportion (the information is to be presented in monetary amounts and as percentages)**					
	CCM + CCA		**Climate Change Mitigation (CCM)**		**Climate Change Adaptation (CCA)**	
	Amount	%	**Amount**	%	**Amount**	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	104	\%	104	17,69%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	484	82,31%	483	82,14%	1	0,17%
Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	588	100,00%	587	99,83%	1	0,17%

Table EUTAX 47: Taxonomy-aligned economic activities (numerator) – Asset managers: KPI for the year 2024 (CapEx KPI)

Economic Activities	**Amount and proportion (the information is to be presented in monetary amounts and as percentages)**					
	CCM + CCA		**Climate Change Mitigation (CCM)**		**Climate Change Adaptation (CCA)**	
	Amount	%	**Amount**	%	**Amount**	%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	20	1,42%	20	1,42%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	124	8,89%	124	8,89%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	72	5,20%	72	5,20%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0,00%	0	0,00%	-	-%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	1 176	84,48%	1 170	84,07%	6	0,41%
Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	1 392	100,00%	1 386	99,59%	6	0,41%

Table EUTAX 48: Taxonomy-eligible but not taxonomy-aligned economic activities – Asset managers: KPI for the year 2024 (Turnover KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%	0	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	355	0,14%	355	0,14%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	6	0,00%	6	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0,00%	1	0,00%	-	-%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1 577	0,64%	1 556	0,63%	21	0,01%
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	1 939	0,79%	1 918	0,78%	21	0,01%

Table EUTAX 49: Taxonomy-eligible but not taxonomy-aligned economic activities – Asset managers: KPI for the year 2024 (CapEx KPI)

Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%	0	0,00%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	807	0,33%	807	0,33%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12	0,01%	12	0,01%	-	-%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4	0,00%	4	0,00%	-	-%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1 423	0,58%	1 405	0,57%	18	0,01%
Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	2 246	0,92%	2 228	0,91%	18	0,01%

Table EUTAX 50: Taxonomy non-eligible economic activities – Asset managers: KPI for the year 2024 (Turnover KPI)

Economic Activities	Amount	Percentage

Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0,00%
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3 711	1,51%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	3 713	1,51%

Table EUTAX 51: Taxonomy non-eligible economic activities – Asset managers: KPI for the year 2024 (CapEx KPI)

Economic Activities	**Amount**	**Percentage**
Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2 601	1,06%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	2 602	1,06%

Table EUTAX 52: The proportion of turnover derived from products or services associated with taxonomy-aligned economic activities – Non-financial undertakings for the year 2024 (mil. CZK)

Financial year N	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which enabling		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	-
Of which transitional		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	146,02	41%	**EL**	EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	-	-	-

Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	146,02	41%	41%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A. Turnover of Taxonomy-eligible activities (A.1+A2.)	146,02	41%	41%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy-non-eligible activities	211,09	59%																
TOTAL	357,10	100%																

Table EUTAX 53: The proportion of turnover derived from products or services associated with taxonomy-aligned economic activities, according to individual E objectives – Non-financial undertakings for the year 2024

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	-%	41%
CCA	-%	41%
WTR	-%	-%
CE	-%	-%
PPC	-%	-%
BIO	-%	-%

Table EUTAX 54: Proportion of CapEx derived from products or services associated with taxonomy-aligned economic activities – Non-financial undertakings for the year 2024 (mil. CZK)

Financial year N	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, Year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or-eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which enabling		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	-
Of which transitional		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Renovation of existing buildings	CCM 7.2/CCA 7.2/CE 3.2	3,72	88%	**EL**	EL	N/EL	N/EL	EL	N/EL	-	-	-	-	-	-	-	-	-	-
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,72	88%	88%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A. CapEx of Taxonomy-eligible activities (A.1+A2.)		3,72	88%	88%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		0,52	12%																
TOTAL		4,24	100%																

Table EUTAX 55: Proportion of CapEx derived from products or services associated with taxonomy-aligned economic activities, according to individual E objectives – Non-financial undertakings for the year 2024

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	-%	88%
CCA	-%	88%
WTR	-%	-%
CE	-%	88%
PPC	-%	-%
BIO	-%	-%

Table EUTAX 56: Proportion of OpEx derived from products or services associated with taxonomy-aligned economic activities – Non-financial undertakings for the year 2024 (mil. CZK)

Financial year N	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, Year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or-eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity(20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which enabling		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	-
Of which transitional		-	-%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	0,16	24%	**EL**	EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	-	-	-
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0,16	24%	24%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A. OpEx of Taxonomy-eligible activities (A.1+A2.)		0,16	24%	24%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		0,5	76%																
TOTAL		0,66	100%																

Table EUTAX 57: Proportion of OpEx derived from products or services associated with taxonomy-aligned economic activities, according to individual E objectives – Non-financial undertakings for the year Year 2024

	Proportion of OpEx/ Total OpEx	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	-%	24%
CCA	-%	24%
WTR	-%	-%
CE	-%	-%
PPC	-%	-%
BIO	-%	-%

Table EUTAX 58: Nuclear energy related activities and fossil gas related activities – Non-financial undertakings for the year 2024

Nuclear energy related activities	
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
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
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	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
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
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

Shape the future
with confidence

The report below is an unsigned translation of an independent auditor's report which relates solely and exclusively to the consolidated Annual Financial Report prepared in XHTML format dated on 3 April 2025.

INDEPENDENT AUDITOR´S LIMITED ASSURANCE REPORT ON J&T BANKA, A.S. CONSOLIDATED SUSTAINABILITY STATEMENT

To the Shareholders of J&T BANKA, a.s. a.s.

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement of J&T BANKA, a.s. (hereafter the "Company") included in section Sustainability Report of the Annual Financial Report (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 § 32k] of the Czech Accounting Act implementing Article 29a of the EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in note ESRS 2 IRO-1; and
- compliance of the disclosures within the environmental section of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Inherent Limitations in Preparing the Consolidated Sustainability Statement

As discussed in BP-2: Disclosures in relation to specific circumstances in the Consolidated Sustainability Statement, there are significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria.

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, the Board of Directors of the Company 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 Company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Statement, the Board of Directors of the Company 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.

Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee 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 ESRS 2 IRO-1 of the Consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Company'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 § 32k of the Czech Accounting Act implementing Article 29(a) of EU Directive 2013/34/EU, including:

- compliance with the ESRS;
- preparing the disclosures in the environmental section of the Consolidated Sustainability Statement, in compliance with Article 8 of EU Regulation 2020/852; and
- designing, implementing and maintaining such internal controls that Board of Directors 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 in collaboration with the Audit Committee are responsible for overseeing the Company'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 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 judgement 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 Company's description of its Process, as disclosed in note ESRS 2 IRO-1.

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

- Obtaining an understanding of the 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 the Board of the Directors (e.g., stakeholder engagement, business plans and strategy documents); and
    - reviewing the Company's internal documentation of its Process; and

- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Company was consistent with the description of the Process set out in note ESRS 2 IRO-1.

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

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by:
    - performing inquiries to understand the Company'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 and analytical procedures 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;
- Other procedures performed with respect to the EU taxonomy disclosures

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 § 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 Company to identify the information reported in the Consolidated Sustainability Statement is in accordance with the description set out in note ESRS 2 IRO-1; and
- Compliance of the disclosures in subsection *Information pursuant to Article 8 of EU Regulation 2020/852 (or Regulation 2021/2178)* within the environmental section of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852.

Other matters

Our assurance engagement does not extend to information in respect of earlier periods.

Ernst & Young Audit, s.r.o.
Licence No.: 401

Roman Hauptfleisch, Auditor
Licence No.: 2009

3 April 2025
Prague, Czech Republic

CONSOLIDATED FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024
PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION

(Translation of a report originally issued in Czech)

The report below is an unsigned translation of an independent auditor's report which relates solely and exclusively to the consolidated Annual Financial Report prepared in XHTML format dated on 3 April 2025.

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of J&T BANKA, a.s.:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of J&T BANKA, a.s. (hereinafter also the "Company") and its subsidiaries (hereinafter also the "Group") prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information. For details of the Group, see Note 1 to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and 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 clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Expected credit losses for loans and advances to customers at amortised cost

Loans at amortised cost represent a significant component of the consolidated financial statements, totaling CZK 113 965 million and constituting 36% of total assets as of 31 December 2024. The associated expected credit losses ("ECL") were reported at CZK 3 390 million as of 31 December 2024.

Material errors in the consolidated financial statements may arise from misstatements in ECL. Credit impairment is an area with a high degree of subjectivity because of the level of judgement exercised by management in determining the ECL. Identifying impairments and determining recoverable amounts are inherently uncertain processes, involving various assumptions and factors such as the financial condition of the counterparty, anticipated future cash flows, and projected net selling prices of collateral.

In accordance with IFRS 9 Financial Instruments, loans are categorized into one of three stages to estimate loss allowances. Stage 1 and Stage 2 loans are considered performing, with Stage 2 loans indicating a significant increase in credit risk since origination. Stage 3 loans are classified as non-performing and credit-impaired. Portfolios that present the greatest uncertainty usually include those where impairments are based on estimates of future cash flows and the realizable value of collateral, those that are unsecured, or those facing potential collateral shortfalls.

The key assumptions and judgements in the calculation of the ECLs include:

- Application of the definition of default and significant increase in credit risk ("SICR");
- Model parameters such as probability of default ("PD"), loss given default ("LGD"), and exposure at default ("EAD");
- Integration of selected forward-looking information ("FLI") based on various macroeconomic scenarios;
- Development of future cash repayment scenarios and related probabilities, while also considering the realizable value of underlying collateral;
- Credit conversion factor ("CCF") for off-balance sheet exposures; and
- Adjustments to ECLs through management overlays.

Our audit approach to testing of credit risk provisioning processes involved the following procedures.

We evaluated the design, implementation, and operational effectiveness of selected controls over the approval, recording, and monitoring process of loans and advances. Given that the ECL calculation conducted on a portfolio basis depends on various IT applications, we engaged internal specialists to support the testing of the IT control environment. This included assessments of data security, access controls, and IT application controls related to the process.

We performed a detailed analytical review of the credit portfolio, examining its structure and characteristics, as well as the allowances and provisions for credit impairment to understand the development of the portfolio compared to the prior year, budgets and the Group's risk management strategies.

For ECLs calculated on a portfolio basis, management engaged an external expert to review the methodologies, inputs, and assumptions used, such as the probability of loss, loss given default, significant changes in credit risk, and forward-looking elements. Our credit risk specialists assisted us in evaluating the results of the work performed by the management's expert. Additionally, we assessed any significant overlays or in-model adjustments that management applied in addition to the portfolio ECLs calculated by the model.

When evaluating the ECL calculated on an individual basis, our strategy included selecting a sample of credit exposures for a detailed review of the ECL calculation and a review of credit files to understand the management's assumptions behind impairment identification and quantification. We conducted an evaluation of the classification of exposures at their respective stages and examined whether the definitions of default, SICR and staging criteria were consistently applied by the Group. Additionally, we assessed the Group's assumptions regarding expected future cash flows, including evaluating the realizable value of collateral using available market information and consulting internal specialists when necessary.

Considering the economic uncertainties and risks in the global economy, estimating FLI demands significant judgement. To account for these uncertainties, management must decide whether to adjust its standard process for incorporating macroeconomic variables into the ECL model and forecasting methods, either by modifying the macroeconomic variables or by including management overlays.

Due to the significance of loans at amortised cost and the related estimation uncertainty that is present in the calculation of ECL, this is considered a key audit matter.

We also reviewed the back-testing analysis prepared by the Group, following up on any significant discrepancies between the actual loss provisions and those calculated by the model.

In addition, we assessed the adequacy of the relevant disclosures 3b) Financial assets and liabilities, 4 Accounting estimates and assumptions and 44 Credit risk in the consolidated financial statements to ensure that such disclosures are in line with the requirements of IFRS Accounting Standards as adopted by the European Union.

Other Matters

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor, who expressed an unmodified opinion on those consolidated financial statements on 28 March 2024.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Financial Report (hereinafter also the "Annual Report") other than the consolidated financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information except for the sustainability statement has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information except for 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 financial statements is, in all material respects, consistent with the consolidated financial statements; and
- The other information except for 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 obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's financial reporting process. The Audit Committee is responsible for monitoring the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 the purpose of the group audit. We remain solely responsible for our audit opinion

We communicate with the Board of Directors, 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of Auditor and Period of Engagement

We were appointed as the auditors of the Group by the Sole Shareholder Resolution on 19 July 2023. This is our first year as the auditor of the Group.

Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 3 April 2025 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Group. 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 consolidated financial statements.

Statutory auditor responsible for the engagement

Roman Hauptfleisch is the statutory auditor responsible for the audit of the consolidated financial statements of the Group as at 31 December 2024 based on which this independent auditor's report has been prepared.

Report on Compliance with the ESEF Regulation

We have performed a reasonable assurance engagement on the compliance of all the financial statements included in the consolidated Annual Report with the provisions of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single reporting electronic format (the "ESEF Regulation"), applicable to the financial statements.

Responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the preparation of the financial statements in accordance with the ESEF Regulation. In particular, the Company's Board of Directors is responsible for:

- The design, implementation and maintenance of internal control relevant to the application of the ESEF Regulation;
- The preparation of all the financial statements included in the consolidated Annual Report in the applicable XHTML format;
- The selection and application of XBRL mark-ups as required by the ESEF Regulation.

Auditor's Responsibilities

Our responsibility is to express, based on the evidence obtained, an opinion on whether the financial statements included in the consolidated Annual Report comply, in all material respects, with the ESEF Regulation. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) – "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" ("ISAE 3000").

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high level of assurance but is not a guarantee that an assurance engagement performed in accordance with ISAE 3000 will always detect any existing material non-compliance with the ESEF Regulation.

Our selected procedures included mainly the following:

- Obtaining an understanding of the requirements of the ESEF Regulation;
- Obtaining an understanding of the Company's internal control relevant to the application of the ESEF Regulation;
- Identifying and assessing the risks of material non-compliance with the ESEF Regulation, whether due to fraud or error; and
- Based on the above, designing and performing procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The objective of our procedures was to evaluate whether:

- The financial statements included in the consolidated Annual Report were prepared in the applicable XHTML format;

- The disclosures in the consolidated financial statements as specified in the ESEF Regulation were marked up, with all mark-ups meeting the following requirements:
    - The XBRL mark-up language was used;
    - The elements of the core taxonomy specified in the ESEF Regulation with the closest accounting meaning were used, unless an extension taxonomy element was created in compliance with the ESEF Regulation; and
    - The mark-ups complied with the common rules on mark-ups specified in the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, the Company's consolidated financial statements for the year ended 31 December 2024 included in the consolidated Annual Report are, in all material respects, in compliance with the ESEF Regulation.

Ernst & Young Audit, s.r.o.
License No. 401

Roman Hauptfleisch, Auditor
License No. 2009

3 April 2025
Prague, Czech Republic

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Note	2024	2023
Interest income calculated using effective interest rate method	6	18,308	17,228
Other interest income	6	405	481
Interest expense	7	(10,453)	(8,333)
Net interest income		***8,260***	***9,376***
Fee and commission income	8	3,632	2,662
Fee and commission expense	9	(451)	(373)
Net fee and commission income		***3,181***	***2,289***
Net income from trading and investments	10	1,102	1,957
Other operating income	11	231	615
Operating income		***12,774***	***14,237***
Personnel expenses	12	(2,057)	(1,988)
Depreciation and amortisation	25, 26	(144)	(306)
Loss from subsidiaries sold	51	(114)	(883)
Other operating expenses	13	(2,363)	(2,257)
Operating expenses		***(4,678)***	***(5,434)***
Profit before allowances, provisions and income tax		***8,096***	***8,803***
Loss from loans and other receivables	23, 35	(254)	(42)
Net change in loss allowances for financial instruments	23	182	(1,723)
Profit before tax, excluding profit from equity accounted investees		***8,024***	***7,038***
Profit / (Loss) from equity accounted investees, net of tax	51, 52	-	(1)
Profit before tax		***8,024***	***7,037***
Income tax	14	(1,718)	(1,645)
Profit for the period		***6,306***	***5,392***

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

Profit for the year attributable to:	**2024**	**2023**
Shareholders of the parent company	6,307	5,388
Non-controlling interest	(1)	4
Profit for the period	***6,306***	***5,392***
Other comprehensive income – items that are or may be reclassified subsequently to profit or loss:		
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments		
Remeasurement to fair value	*12*	*(537)*
Expected credit losses	*4*	*299*
Related tax	*(4)*	*50*
Foreign currency translation differences	68	1,480
Other comprehensive income – items that will not be reclassified to profit or loss in subsequent periods:		
Revaluation reserve – financial assets at fair value through other comprehensive income – equity instruments		
Remeasurement to fair value	*6*	*61*
Related tax	*(1)*	*-*
Other comprehensive income for the period, net of tax	***85***	***1,353***
Total comprehensive income for the period	***6,391***	***6,745***
Attributable to:		
Shareholders of the parent company	6,392	6,736
Non-controlling interest	(1)	9
Total comprehensive income for the period	***6,391***	***6,745***

The notes set out on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

in millions of CZK	Note	31/12/2024	31/12/2023
Assets			
Cash and cash equivalents	16	118,631	140,771
Due from banks and other financial institutions	17	219	198
Positive fair value of derivatives	18	3,345	4,832
Investment securities for trading	19a	7,373	5,616
Investment securities measured at fair value through profit or loss	19b	10,844	10,015
Investment securities measured at fair value through other comprehensive income	19c	10,142	11,269
Investment securities at amortised cost	19d	29,154	4,540
- of which pledged as collateral (repurchase agreements)	*20*	*4,724*	*4,338*
Loans and advances to customers at amortised cost	21	110,575	101,456
Goodwill	26	123	123
Investment property	24	525	601
Property, plant and equipment	25	2,080	2,091
Intangible assets	26	37	120
Current income tax receivables	14	353	21
Deferred tax asset	15	504	696
Disposal groups held for sale	29	26	467
Other assets	28	23,759	10,268
Total assets		***317,690***	***293,084***
Liabilities			
Deposits and loans from banks	30	7,711	9,191
Deposits from customers	31	227,730	217,837
Negative fair value of derivatives	18	1,618	2,432
Issued investment securities	32	3,353	3,287
Subordinated debt	33	4,619	1,256
Provisions	35	1,928	1,652
Current tax liability	14	118	1,202
Deferred tax liability	15	2	10
Other liabilities	34	29,628	15,260
Total liabilities		***276,707***	***252,127***
Share capital	36	10,638	10,638
Retained earnings and other reserves	36	22,874	21,442
Other equity instruments	36	7,293	8,868
Equity		***40,805***	***40,948***
Non-controlling interest	37	178	9
Total equity		***40,983***	***40,957***
Total equity and liabilities		***317,690***	***293,084***

The notes set out on the following pages form an integral part of these consolidated financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Share capital	Retained earnings	Capital funds	Perpetuity fund	Translation and revaluation reserve	Other equity instruments	***Total***	Non-controlling interest	***Total equity***
Balance as at 1 January 2024	***10,638***	***18,564***	***2,910***	***321***	***(353)***	***8,868***	***40,948***	***9***	***40,957***
Total comprehensive income for the period									
Profit for the period	-	6,307	-	-	-	-	***6,307***	(1)	***6,306***
Other comprehensive income – items that are or may be reclassified subsequently to profit or loss									
Foreign currency translation differences	-	-	-	-	68	-	***68***	-	***68***
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments									
Remeasurement to fair value	-	-	-	-	12	-	***12***	-	***12***
Expected credit losses	-	-	-	-	4	-	***4***	-	***4***
Related tax	-	-	-	-	(4)	-	***(4)***	-	***(4)***
Other comprehensive income – items that will not be reclassified to profit or loss in subsequent periods									
Revaluation reserve – financial assets at fair value through other comprehensive income – equity instruments									
Remeasurement to fair value	-	-	-	-	6	-	***6***	-	***6***
Related tax	-	-	-	-	(1)	-	***(1)***	-	***(1)***
Other comprehensive income	***-***	***-***	***-***	***-***	***85***	***-***	***85***	***-***	***85***
Total comprehensive income for the period	***-***	***6,307***	***-***	***-***	***85***	***-***	***6,392***	***(1)***	***6,391***
Transactions recognised directly in equity									
Dividends paid	-	(4,300)	-	-	-	-	***(4,300)***	(2)	***(4,302)***
Payment of earnings from investment certificates	-	-	-	(644)	-	-	***(644)***	-	***(644)***
Redemption of investment certificates	-	-	-	-	-	(1,575)	***(1,575)***	-	***(1,575)***
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(670)	-	670	-	-	***-***	-	***-***
Revaluation surplus	-	(16)	-	-	-	-	***(16)***	-	***(16)***
Effect of changes in ownership interests and new companies within the Group	-	(3)	3	-	-	-	***-***	172	***172***
Balance as at 31 December 2024	***10,638***	***19,882***	***2,913***	***347***	***(268)***	***7,293***	***40,805***	***178***	***40,983***

Further information about equity instruments is disclosed in note 36.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

in millions of CZK	Share capital	Retained earnings	Capital funds	Perpetuity fund	Translation and revaluation reserve	Other equity instruments	*Total*	Non-controlling interest	*Total equity*
Balance as at 1 January 2023	***10,638***	***14,810***	***2,977***	***181***	***(1,631)***	***8,868***	***35,843***	***13***	***35,856***
Total comprehensive income for the period									
Profit for the period	-	5,388	-	-	-	-	***5,388***	4	***5,392***
Other comprehensive income – items that are or may be reclassified subsequently to profit or loss									
Foreign currency translation differences	-	-	-	-	1,475	-	**1,475**	5	***1,480***
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments									
Remeasurement to fair value	-	-	-	-	(537)	-	**(537)**	-	***(537)***
Expected credit losses	-	-	-	-	299	-	**299**	-	***299***
Related tax	-	-	-	-	50	-	***50***	-	***50***
Other comprehensive income – items that will not be reclassified to profit or loss in subsequent periods									
Revaluation reserve – financial assets at fair value through other comprehensive income – equity instruments									
Remeasurement to fair value	-	-	-	-	61	-	***61***	-	***61***
Other comprehensive income	-	-	-	-	**1,348**	-	**1,348**	5	**1,353**
Total comprehensive income for the period	**-**	***5,388***	-	**-**	**1,348**	**-**	***6,736***	***9***	***6,745***
Transactions recognised directly in equity									
Dividends paid	-	(1,000)	-	-	-	-	***(1,000)***	(7)	***(1,007)***
Payment of earnings from investment certificates	**-**	-	-	(632)	-	-	***(632)***	**-**	***(632)***
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(772)	-	772	-	-	**-**	-	**-**
Revaluation surplus	-	30	-	-	-	-	***30***	-	***30***
Effect of changes in ownership interests and new companies within the Group	-	107	(67)	-	(70)	-	***(29)***	(6)	***(35)***
Balance as at 31 December 2023	***10,638***	***18,564***	***2,910***	***321***	**(353)**	***8,868***	***40,948***	***9***	***40,957***

The notes set out on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		8,024	7,037
Adjustments for:			
Depreciation and amortisation	25, 26	144	306
Loss from loans and other receivables	23, 35	254	42
Net change in loss allowances for financial instruments	23	(182)	1,723
Net book value of sold property, plant and equipment, and intangible assets	25, 26	-	216
Net change in fair value of investment property and property, plant and equipment	25	13	(32)
Change in other provisions		83	81
Change in revaluation of investment securities at fair value through profit or loss		(203)	(357)
Loss from subsidiaries sold	51	114	883
Profit/(loss) from equity accounted investees		-	1
Net unrealised foreign exchange (gains) / losses		(357)	940
(Increase) / decrease in operating assets			
Due from banks and other financial institutions	17	(21)	219
Loans and other advances to customers		(9,306)	1,917
Investment securities at fair value through profit or loss		(2,119)	356
Investment securities at amortised cost – accrued interest		(138)	-
Other assets		(13,483)	(8,179)
Disposal groups held for sale		442	-
Increase / (decrease) in operating liabilities:			
Deposits and loans from banks		(1,251)	2,069
Deposits from customers	31	9,893	53,815
Other liabilities		14,489	5,704
Net increase / (decrease) in fair values of derivatives			
Fair value of derivative instruments	18	675	575
Tax effect			
Income taxes paid		(2,954)	(1,790)
Net cash flows from operating activities		***4,117***	***65,526***

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase and disposal of property, plant and equipment, and intangible assets		66	(199)
Proceeds from the sale of intangible assets		-	237
Disposal of subsidiaries (excl. cash disposed)	51	-	652
Investment securities at amortised cost – sales		-	230
Investment securities at amortised cost – purchases		(24,484)	-
Purchase of financial instruments at fair value through other comprehensive income – sales		3,994	46
Purchase of financial instruments at fair value through other comprehensive income – purchases		(2,772)	(5,922)
Net cash flows used in investing activities		***(23,196)***	***(4,956)***
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issued investment securities	38	24	2,967
Repayment of issued investment securities	38	(12)	-
Dividends paid	36	(4,302)	(1,007)
Distribution of income from other equity instruments	36	(644)	(632)
Redemption of investment certificates	36	(1,575)	-
Proceeds from subordinated debt issue	38	3,371	1,000
Repayment of subordinated debt	38	(22)	-
Lease liabilities paid	38	(51)	(40)
Net cash flows from financing activities		***(3,211)***	***2,288***
Increase / (decrease) in cash and cash equivalents		(22,290)	62,858
Effects of exchange rate fluctuations on cash and cash equivalents held		150	175
Cash and cash equivalents at beginning of period	16	140,771	77,738
Cash and cash equivalents at end of period	16	**118,631**	**140,771**
Cash flows from operating activities include:			
Interest received		17,373	16,014
Interest paid		(7,654)	(7,265)
Interest paid – lease liabilities		(3)	(2)
Dividends received		60	131

The notes set out on the following pages form an integral part of these consolidated financial statements.

The Board of Directors approved these financial statements on 3 April 2025.

Signed on behalf of the Board:

Ing. Michal Kubeš
Member of the Board of Directors

Ing. Jan Kotek
Member of the Board of Directors

1. GENERAL INFORMATION

J&T BANKA, a.s. ("the Bank") is a joint stock company incorporated on 13 October 1992 in the Czech Republic.

The Bank received a licence to act as securities trader on 25 April 2003 and on 22 December 2003, the Bank's licence was extended to include that activity. The Bank's activities are focused on private, investment, corporate and retail banking.

The Bank is subject to the regulatory requirements of the Czech National Bank ("CNB"). These requirements include limits and other restrictions concerning capital adequacy, other ratios set by CNB, classification of loans and off-balance sheet liabilities, large exposure, liquidity and the Bank's foreign currency position etc.

Since 2020, the Bank has had its registered office at Sokolovská 700/113a, 186 00 Prague 8.

The Bank, its subsidiaries, mentioned in the table below ("the Group") had on average 889 employees in 2024 (2023: 968). The Group operates in the Czech Republic, Slovakia, Croatia and Germany.

A Slovak branch of the Bank was established on 23 November 2005, and was registered in the Commercial Register of the District Court Bratislava I, section Po, file 1320/B as the organizational unit "J&T BANKA, a.s., pobočka zahraniční banky", Dvořákovo nábrežie 8, 811 02 Bratislava, and with the identification number 35 964 693.

A German branch of the Bank was established on 21 September 2022, and was registered in the Commercial Register of the District Court of Frankfurt am Main as the organizational unit "J&T BANKA, a.s. Zweigniederlassung Deutschland", Franklinstraße 56, 60486 Frankfurt am Main, and with the identification number HRB 128706. The German branch of the Bank commenced its banking activities in 2023, and since 27 February 2023 operates under the brand J&T Direktbank as a fully digital bank.

The Bank's ultimate parent is J&T FINANCE GROUP SE owned by Jozef Tkáč (45.05%), Ivan Jakabovič (35.15%), Rainbow Wisdom Investments Limited (9.90%), Štěpán Ašer (4.95%) and Igor Kováč (4.95%).

In connection with the shareholder's intention to centralise financial services under J&T BANKA, a.s., the following companies have become subsidiaries, associates or joint ventures.

The companies included in the consolidated group as at 31 December 2024 (in millions of CZK):

Company	Country of incor-poration	Share capital	Share-holding	Consolidation method	Principal activities
J&T BANKA, a.s.	CR	10,638	Parent company		Banking activities
AMISTA consulting, s.r.o.	CR	0.70	80%	Full	Advisory activities
AMISTA investiční společnost, a.s.	CR	9	80%	Full	Investment activities
ATLANTIK finanční trhy, a.s.	CR	38	100%	Full	Investment activities
J&T banka d.d.	HR	1,093	100%	Full	Banking activities
J&T IB and Capital Markets, a.s.	CR	2	100%	Full	Advisory activities
– J&T VENTURES I otevřený podílový fond	CR	-	5.95%	Full	Investment activities
J&T INVESTIČNÍ SPOLEČNOST, a.s.	CR	20	100%	Full	Investment activities
J&T NextGen otevřený podílový fond	CR	-	24.95%	Full	Investment activities
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	SR	3	100%	Full	Investment activities
J&T Leasingová společnost, a.s.	CR	32	100%	Full	Financing activities
J&T ORBIT SICAV, a.s.	CR	-	92.33%	Full	Investment activities
J&T RFI I., s.r.o.	CR	0.20	100%	Full	Advisory activities
J&T VENTURES I otevřený podílový fond	CR	-	94.05%	Full	Investment activities
Rustonka Development II s.r.o.	CR	0.10	100%	Full	Investment property

The Group provides customers with comprehensive banking services, asset management, financial and capital market transactions for the retail segment, as well as support to start-up and restructuring projects. The Group's operating segments are described in note 5.

Effective as of 1 December 2024, a spun-off part of the assets of J&T Leasingová společnost, a.s., was transferred to the existing successor company, Rentalit, s.r.o., with the decisive date being 1 January 2024 in accordance with the Act on Transformations. Rentalit, s.r.o., was a subsidiary of J&T Leasingová společnost, a.s. The company was consolidated indirectly through the consolidation of J&T Leasingová společnost, a.s. Given the consolidation approach and the insignificance of the subsidiary, the company was not reported in the Group's consolidated group as at 31 December 2023. On 30 December 2024, the Group sold Rentalit s.r.o. as a subsidiary of J&T Leasingová společnost, a.s. The final impact from this sale is presented as a part of Loss on sales of subsidiaries.

On 31 December 2024, the Group increased its share in J&T NextGen otevřený podílový fond through the subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s., to 24.95%. At the same time, the Group met the control criteria over this fund and started consolidating it.

The companies included in the consolidated group as at 31 December 2023 (in millions of CZK):

Company	Country of incor-poration	Share capital	Share-holding	Consolidation method	Principal activities
J&T BANKA, a.s.	CR	10,638	Parent company		Banking activities
AMISTA consulting, s.r.o.	CR	0.70	80%	Full	Advisory activities
AMISTA investiční společnost, a.s.	CR	9	80%	Full	Investment activities
ATLANTIK finanční trhy, a.s.	CR	38	100%	Full	Investment activities
J&T banka d.d.	HR	1,073	100%	Full	Banking activities
J&T IB and Capital Markets, a.s.	CR	2	100%	Full	Advisory activities
– J&T VENTURES I otevřený podílový fond	CR	-	5.95%	Full	Investment activities
J&T INVESTIČNÍ SPOLEČNOST, a.s.	CR	20	100%	Full	Investment activities
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	SR	3	100%	Full	Investment activities
J&T Leasingová společnost, a.s.	CR	32	100%	Full	Financing activities
J&T ORBIT SICAV, a.s.	CR	0.10	92.33%	Full	Investment activities
J&T RFI I., s.r.o.	CR	0.20	100%	Full	Advisory activities
J&T VENTURES I otevřený podílový fond	CR	-	94.05%	Full	Investment activities
Rustonka Development II s.r.o.	CR	0.09	100%	Full	Investment property

On 1 January 2023, Croatia adopted the Euro as its currency at a conversion rate of 1 euro for 7.53450 Croatian kuna. As a result, the Bank converged ownership interest in J&T banka d.d. and ALTERNATIVE UPRAVLJANJE d.o.o. from HRK to EUR on 1 January 2024. There was not recorded any profit or loss from this conversion in balances of the Bank.

On 17 January 2023, ALTERNATIVE UPRAVLJANJE d.o.o. was liquidated and deleted from the court register in Croatia. Residual capital reserves of EUR 371 thousand were paid to the the Bank as the sole shareholder on 19 January 2024.

On 23 August 2023, the Group completed the sale of XT-Card a.s.

On 14 November 2023, the Group completed the sale of its total share of 99.95% in J&T Bank, a.o. and 99% in TERCES MANAGEMENT LIMITED. The final impact from the sale of subsidiaries is presented as a part of Loss on sales of subsidiaries.

On 20 December 2023, the Group completed the sale of FVE Holding, s.r.o. that holds share in FVE Čejkovice, s.r.o., FVE Napajedla, s.r.o., FVE Němčice, s.r.o. and FVE Slušovice, s.r.o.

During 2024 and 2023, no restrictions applied to the ownership rights held over subsidiaries in EU.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements comprise the accounts of the members of the Group and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union for the reporting period of 1 January 2024 to 31 December 2024 ("reporting period").

(b) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention except for investment property, investment securities at fair value through profit or loss, investment securities at fair value through other comprehensive income and derivatives, which are measured at fair value.

The members of the Group maintain their accounting books and prepare their statements for regulatory purposes in accordance with respective local statutory accounting principles. The accompanying consolidated financial statements are based on the statutory accounting records together with appropriate adjustments and reclassifications necessary for fair presentation in accordance with IFRS.

A binding format for financial statements is not prescribed under IFRS. In determining the format of the statements and individual captions, the Group considers the nature of balances and its own judgment. In order to best describe the content of line items in the statements, the Group modified the captions in certain cases in 2024. Examples of such adjustments include changes in the statement of financial position where "Investment securities" were used instead of "Financial assets" for securities, and "Debt securities issued" were replaced with "Issued investment securities"; or in the income statement, "Loss from changes of loans and other receivables" was changed to "Loss from loans and other receivables", etc.

The stated accounting methods have been applied consistently in all periods presented in these consolidated financial statements.

In particular, information about significant areas of uncertainty estimation and critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the consolidated financial statements are described in note 4.

The Group's consolidated financial statements have been prepared on a going concern basis.

The following standards, amendments to the standards and interpretations are effective for the first time for the period beginning 1 January 2024 and have been applied to the preparation of the Group's consolidated financial statements:

Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current

The amendments become effective for annual reporting periods beginning on or after 1 January 2024, applied retrospectively.

The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The amendments become effective for annual reporting periods beginning on or after 1 January 2024.

The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines "lease payments" or "revised lease payments" in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments are effective for annual reporting periods beginning on or after 1 January 2024.

The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose as at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements.

These adjustments, effective for the first time for the year beginning 1 January 2024, did not have any material impact on the consolidated financial statements of the Group.

The standards/amendments issued that are not yet effective but have already been endorsed by the European Union and which the Group has not applied before their effective date

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted.

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

The Group expects that the Standard will not have a significant effect on the consolidated financial statements of the Group.

The standards/amendments that are not yet effective and they have not yet been endorsed by the European Union

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

The amendments become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The amendments clarify that a financial liability is derecognised at the "settlement date" when the obligation is discharged, cancelled, expires or otherwise qualifies for derecognition. An accounting policy choice is introduced to derecognise liabilities settled through electronic payment systems before the settlement date, subject to certain conditions. The amendments also provide guidance for assessing the contractual cash flow characteristics of financial assets that contain environmental, social or governance (ESG) features or other similar contingent features. Additionally, the amendments clarify the treatment of non-recourse assets and contractually linked instruments and require additional disclosures under

IFRS 7 for financial assets and liabilities with references to contingent events (including ESG references) and equity instruments measured at fair value through other comprehensive income.

IFRS 18 Presentation and Disclosure in Financial Statements

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 18 introduces new requirements for an entity to classify all items of income and expense in its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are complemented by requirements to present subtotals and totals for "operating profit or loss", "profit or loss before financing and income taxes" and "profit or loss". In addition, the standard requires disclosure of management-defined performance measures and includes new requirements for aggregating and disaggregating financial information based on identified "roles" in the financial statements and notes to the financial statements. Beyond this standard, there will be related amendments to other accounting standards.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 19 allows subsidiaries without public accountability to apply reduced disclosure requirements if their parent company (ultimate or direct or indirect) produces consolidated financial statements available for public use that comply with IFRS. These subsidiaries must continue to apply the recognition, measurement and presentation requirements in other IFRS. Unless specified otherwise, the entities that choose to implement IFRS 19 will not need to apply the disclosure requirements in other IFRS.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The Group does not expect these new standards to have a significant impact on the Group's consolidated financial statements.

Other new International Financial Reporting Standards and Interpretations not yet effective

The Group has not early adopted any IFRS standards where adoption is not mandatory at the statement of financial position date. Where transition provisions in adopted IFRS give an entity the choice of whether to apply new standards prospectively or retrospectively, the Group elects to apply the standards prospectively from the date of transition. The Group's management does not expect these additional new standards to have a material impact on the Group's consolidated financial statements.

(c) Currency

The accompanying consolidated financial statements are presented in the national currency of the Czech Republic, the Czech crown ("CZK"), which is the Bank's functional currency and the Group's presentation currency, rounded to the nearest million.

The functional currency is the currency of the primary economic environment in which the entity operates. Individual companies forming the Group determined their functional currencies in accordance with IAS 21.

In determining functional currency, each individual company forming the Group considered mainly factors such as the currency:

- in which sales prices for its services are denominated and settled; and
- of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services.

3. MATERIAL ACCOUNTING POLICIES

The particular accounting policies adopted in preparation of this consolidated financial statement are described below and are applied consistently across the entire Group.

(a) Basis of consolidation

(i) 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 Group periodically assesses the continued control of an entity if one or two elements of control change. In addition, the Group acts as fund manager to a number of investment funds. Determining whether the Group controls an investment fund focuses on the evaluation of the Group's overall economic interests in the fund and the investors' rights to remove the fund manager. The financial statements of subsidiaries, including the controlled funds, are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains (losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(iii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, non-controlling interests and other components of equity related to the subsidiary. Any profit or loss arising from the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, such interest is measured at fair value at the date that control is lost. It is accounted for as equity accounted investee or as a financial asset at fair value through profit or loss depending on the level of influence retained.

(iv) Unification of accounting policies

The accounting policies and procedures applied by the consolidated companies in their financial statements were unified in the consolidation and comply with the accounting policies applied by the parent company.

(b) Financial assets and liabilities

Classification and measurement of financial assets and liabilities

Financial assets

The Group assesses the classification and measurement of a financial asset based on:

- the Bank 's business model for managing the asset; and
- the contractual cash flow characteristics of the asset ("SPPI – solely payments of principal and interest on the principal outstanding").

The Group's business models determine whether cash flows will result from holding financial assets, selling financial assets or both. The Group defines business models and its classification as follows:

- "Hold and collect" – financial assets at amortised costs (AC);
- "Hold, collect and sell" – financial assets at fair value through other comprehensive income (FVOCI);
- "Trading" – financial assets at fair value through profit and loss (FVTPL);
- "Fair value of non-traded assets" – financial assets mandatorily measured at fair value through profit or loss;
- "Fair value option" – financial assets measured at fair value through profit or loss;

Financial assets at amortised cost

Financial assets can be measured at amortised cost if they meet the criteria set by the so-called SPPI test. The test is met if the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets of the Group that are held under the "Hold and collect" strategy and simultaneously meet the SPPI test criteria are measured at amortised cost. Examples of such financial assets include loans, investment securities at amortised cost, and trade receivables.

Financial assets at fair value through other comprehensive income

In order to be classified as FVOCI, the asset must be either:

- a debt instrument held under the "Hold, collect and sell" strategy, where the objective is to collect contractual cash flows from holding it but also from its potential sale, and simultaneously meets the criteria set by the SPPI test;
- an equity instrument that does not meet the SPPI test criteria but is not held for trading purposes and the Group elects to measure such instrument at fair value through other comprehensive income.

Financial instruments at fair value through profit or loss

Financial assets that the Group holds under the "Trading" strategy are actively traded in financial markets and the Group measures them at fair value through profit or loss. Such typical financial assets include investment securities for trading and derivatives.

Equity instruments that are not held for trading and for which the option to measure at fair value through other comprehensive income has not been elected are also measured at fair value through profit or loss, as well as financial assets that are held for the purpose of holding and collecting, or holding and collecting and selling, but which have not passed through the SPPI test and cannot be measured at AC or FVOCI. All these assets are classified under the "Fair value of non-traded assets" model.

In addition, the Group may irrevocably elect to designate a financial asset at fair value through profit or loss at initial recognition to eliminate or significantly reduce measurement or recognition inconsistencies (sometimes referred to as "accounting mismatches") that would otherwise arise from the measurement of assets or liabilities or from the recognition of gains and losses using a different basis. This is the "Fair value option" business model strategy.

Financial liabilities

Financial liabilities are classified and measured at amortised cost with the exception of:

- financial liabilities held for trading including derivatives – these are measured at FVTPL;
- financial liabilities irrevocably designated at fair value through profit or loss.

Initial recognition

Initial recognition of financial assets/liabilities at amortised cost is performed by the Group on the settlement date at fair value. The fair value is adjusted for transaction costs directly attributable to the acquisition or issue of the financial asset/liability. Trade receivables without a significant financial component are recognised at the transaction price.

Financial assets at FVTPL are recognised on the date the Group commits to purchase the assets. From this date, any gains or losses (excluding exchange differences) arising from changes in the fair value of the assets are recognised in the income statement. Transaction costs related to the acquisition of financial assets at fair value through profit or loss are recognised directly in profit or loss.

Financial assets classified at FVOCI are recognised on the date the Group commits to purchase the assets. From this date, all expenses and income arising from changes in the fair value of these assets are recognised in equity as revaluation differences of assets and liabilities, except for foreign exchange revaluation of debt financial instruments, which is recognised in profit or loss. The fair value at acquisition is adjusted for transaction costs related to the acquisition of these financial assets.

Subsequent measurement

Financial assets measured at amortised cost are, after initial recognition, measured at amortised cost less expected credit loss (ECL).

All financial assets measured at fair value through profit or loss and all financial assets measured at fair value through other comprehensive income are, after initial recognition, measured at fair value according to note 4.

Gains and losses from subsequent remeasurement of financial assets measured at fair value through profit or loss are recognised in profit or loss as part of Net income from trading and investments. Gains and losses from remeasurement of financial assets at fair value through other comprehensive income (except for foreign exchange differences on debt instruments, which are recognised in profit or loss) are recognised directly in equity as differences arising from the revaluation of assets and liabilities.

Derecognition

A financial asset is derecognised in the event the Group's contractual rights to cash flows from financial assets expire, or the Group transfers the rights to receive contractual cash flows in a transaction in which all the risks and rewards of ownership are transferred and it does not retain control over the financial asset. Upon derecognition of a financial asset at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss. For debt instruments measured at fair value through other comprehensive income, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss. For equity instruments measured at fair value through other comprehensive income, cumulative gains and losses previously recognised in other comprehensive income are not reclassified to profit or loss upon derecognition.

Financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are, in the event of their sale, derecognised as at the date on which the Group undertakes to sell these assets.

Investment securities at amortised costs and provided loans and receivables are derecognised on the date the Group sold them.

Upon derecognition, the difference between the asset's carrying amount, and the sum of the consideration received and any cumulative gain or loss previously recorded in other comprehensive income is recognised in profit or loss.

Reclassification

If the strategy under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Bank's financial assets.

Impairment

The Group uses the expected credit losses (ECL) model. The impairment model is applied to financial assets measured at amortised cost, debt instruments measured at FVOCI, and loan commitments and financial guarantees measured at amortised cost.

For the purposes of ECL model calculation, the portfolio of financial assets is split into three segments (Stage 1, 2, 3) or in the group of financial assets that are impaired at the date of the initial recognition – Purchased or originated credit-impaired assets (POCI). At the date of the initial recognition, the financial asset is included in Stage 1 or classified as POCI and recorded in Stage 3. Subsequent reclassification into further stages is carried out based on the rate of increase in credit risk, i.e. the probability of default of an asset from the moment of initial recognition to the date of preparation of the consolidated financial statements.

Stage 1

- initial recognition of a financial asset – the creation of a credit loss for 12-months ECL;
- 12-month ECLs – all discounted cash flows that are not expected to be received until maturity of the financial asset that result from possible default events within the 12 months after the reporting date compared to the contractual cash flows of the financial asset;
- interest income is calculated using the asset's GCA.

Stage 2

- if the credit risk increases significantly from the initial recognition of the financial asset, the financial asset is reclassified to Stage 2;
- lifetime ECLs are used to calculate impairment;
- interest income is calculated using the asset's GCA.

Stage 3

- the credit quality of the financial asset has significantly deteriorated and resulted in a credit loss or permanent impairment of the asset;
- lifetime ECLs are used to calculate impairment;
- interest income should be calculated from net amortised costs, i.e. from the GCA decreased by ECLs.

Financial assets with low credit risk

The credit risk of a financial instrument is considered to be low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily reduce the ability of the borrower to fulfil its contractual cash flow obligations. Hedging does not affect a decision on whether or not an asset is classified as having a low risk of default.

Expected credit losses over the remaining life of a financial instrument are not recorded solely due to the fact that it was considered to be a low-risk financial instrument in the previous financial year but due to this assessment at the end of reporting period. In this case, the Group determines whether there has been a significant increase in credit risk.

Purchased or originated credit-impaired financial assets (POCI)

In addition to purchased defaulted loans, POCI may arise as a result of the restructuring of borrowers in financial difficulties that lead to significant changes in the terms of the loan and result in derecognition. Apart from the recognition of losses arising from significant changes in the contractual terms of an asset, no losses are initially recorded, without distinguishing between 12-month and lifetime ECLs. Initial ECL over the lifetime is taken into account in the EIR which takes into account credit risk of counterparty that is subsequently used to record interest revenue. Subsequent changes in the ECL are recorded against the impairment loss/gain and loss allowance. These assets are categorized separately as POCI and remain so for the entire period of the holding.

Significant increase in credit risk

A significant increase in credit risk (SICR) represents a significant increase in the risk of default in respect of a financial asset as at the reporting date compared with the risk as at the date of initial recognition.

When determining SICR, the Group adheres to the requirements of IFRS 9. These requirements are based on an assumption that the credit risk usually increases significantly before a financial asset becomes past due or other lagging factors (e.g. restructuring) are observed. At each reporting date of a financial asset, the Group will assess whether the credit risk of a financial assets has increased significantly since its initial recognition or not.

The Group may assume that the credit risk associated with the financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

When determining SICR on a financial asset since its initial recognition, the Group uses reasonable and supportable information that is relevant and available without undue cost or effort.

Quantitative factors to be considered in assessment:

- credit risk deterioration will be considered on the basis of a change in rating since initial recognition. The current rating is compared with the rating assigned at the time of initial recognition;
- the Group uses an internal rating system with 12 rating grades and the transition matrix which defines movements (rating deterioration) considered as significant, the 13th grade is referred as default. The Group uses the transition matrix which defines movements (rating deterioration) considered as significant:
    - ratings 1-3 falling under investment grade are considered to be low credit risk, migrations within these ratings are not considered to be SICRs;
    - for other grades, the PD formula is used, after which the exposure will be assigned to Stage 2;
    - in line with the regulatory recommendation, the Group uses a maximum of three times the increase of PD to determine the transition to Stage 2 in such a way as to guarantee that the threshold value of PD for progressing to Stage 2 is not higher for any rating class than three times the mean value of PD of the given rating class (for this can happen to a specific exposure, but only if the corresponding PD is lower than the median PD of the best rating class at the time of its origination);
    - at the same time, the value of the thresholds increases with higher ratings, so that for high ratings with a high PD mean less than a threefold increase in PD, all significant changes in PD are captured.

Qualitative factors to be considered in assessment:

- the receivable or its significant portion is overdue for more than 30 days;
- the nature of the project has changed with a negative impact on the debtor's ability to generate cash flow;
- the debtor does not meet non-financial contractual obligations for more than 6 months;
- the Group negotiates with the debtor about the restructuring of the debt (based on the request of the debtor or the Group);
- negative information about the debtor from external sources;
- significant adverse changes in business, financial and/or economic conditions in which the debtor operates;
- significant change in collateral value, which is expected to increase risk of default.

For other products such as debits and repurchase agreements (reverse repurchase agreements with clients), the Group does not determine ratings, scoring, and PD, and consequently may not compare their development for SICRs purposes over the time as in the case of other credit receivables. In such cases, credit risk deterioration is assessed based on other credit quality factors of an entity from which the Group reports receivables, e.g. the debt collection process and its proceeding, overdue period of receivable, etc.

Credit impaired financial assets

A financial asset is 'credit-impaired' when one or more events defined as the "default of the borrower" that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

To determine whether a financial asset is in default, the Bank assesses the common signs of default that are listed below:

- the situation when the Group filed a petition for declaring the bankruptcy of the debtor,
- the situation when the debtor has applied for bankruptcy announcement;
- the situation when the bankruptcy was announced;
- the debtor has entered or intends to enter into liquidation;
- the court has ruled that the debtor (legal person) was not founded (does not exist) or the debtor (natural person) has died;
- the final judgement of the court or administrative authority was ordered to enforce the decision by selling the debtor's assets or executing the debtor's assets;
- the situation when the debtor's liability or its portion is overdue for more than 90 days,
    - an overdue loan should be considered significant if both the limit expressed as an absolute amount and the limit expressed as a percentage are exceeded. In order for the debtor to be classified as "in default" on the basis of days past due, the overdue liability must be significant continuously for at least 90 days.
        - the absolute component is expressed as the maximum amount for the sum of all overdue amounts owed by a particular debtor to an institution, to the parent company of that institution or to any of its subsidiaries. This amount is defined as the equivalent of EUR 100 for a retail client and EUR 500 for other clients.
        - the relative component is expressed as a percentage reflecting the overdue loan amount in relation to the total amount of all balance sheet exposures of the institution towards the relevant debtor, its parent company or any of its subsidiaries, excluding any exposures involving shares. This percentage has been set at 1%.
- a situation where, during forced restructuring, the financial obligation is reduced by more than 1% of the value of the given claim; or in case of forced restructuring, the financial obligation will be reduced by 1% of the value of the given claim or less, while:
    - delay in expected funding from another financial institution for more than 12 months;
    - the situation when payments in the aggregate amount of at least 50% (in the sense of monitoring the repayment from the point of granting the loan) have been reduced, etc.

Financial assets where the debtor's default is proved are classified in Stage 3 or designated as POCI, if the relevant conditions have been met as at the date of the financial asset's initial recognition.

Determination of expected credit losses (ECL)

The term ECL refers to the multiplication of the probability of default (PD), expected loss given default (LGD) and exposure at default (EAD).

Loss given default

Loss given default (LGD), which is necessary for the calculation of ECL, is an estimate of the loss arising when default occurs at a given time (expressed as percentage). It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including cash flow from the realization of any collateral. For calculation of LGD the Group uses discounting of expected future cash flows.

For exposures above a given threshold LGD is calculated on an individual basis. In other cases, the portfolio basis is used unless the Group has already used an individual basis for the particular entity, e.g. for a credit analysis or credit rating calculation.

Individual LGD is determined as the weighted average (scenario weights are determined from historical realized loan losses as a relative frequency in a given category) of relevant cash flows according to the scenario analysis. The Bank commonly uses scenarios such as: breach of covenants resulting in full repayment request, significant decrease in financial performance (i.e. significantly below the thresholds for immediately full repayment of the contract), realization of collateral or severe drop in performance parameters. In determining the LGD value, the Group takes into account the collateral of the receivable, provided that the Bank has legal right to realize the collateral within a reasonable time in the event of default of the borrower. For collateralized receivables, the calculation of the present value of the expected future cash flows also takes into account expenses associated with the realization of collateral.

For the purposes of LGD calculation, the Bank takes into account only collateral up to the amount that is not used as security for other assets or assets of third parties if they are entitled to satisfaction before the Group (i.e. value of such collateral is reduced by the amount owed to more senior debtors). Furthermore, collateral is used only up to the carrying amount of the collateralized assets recognised in the balance sheet.

For homogeneous segments below the materiality threshold, such as credit cards, overdrafts and single immaterial loans, or in case of lack of data, LGDs may be determined from historical observations, from parameters set in the regulatory framework or from the average of historical LGDs published by a local national bank (e. g. Czech National Bank) in the Financial Stability Report. Nonetheless, regular calibration of these parameters is performed at least once a year on the basis of current data.

Probability of default (PD)

To derive the point in time (PIT) and through the cycle (TTC) matrices, the Group uses the migration matrices listed in the publicly available materials of Moody's, mainly due to the insufficient granularity of the portfolio and the length of time of its own observed data. The Group uses a procedure that is based on Merton's one-factor model. Macroeconomic influence in the model is represented by the Z-component. Maximization of the likelihood is used to find the functional relationship between macroeconomic variables and the Z-component.

Probability of default is assigned as follows:

- if the exposure is included in Stage 1, maximum one-year PD is determined;
- if the exposure is included in Stage 2, the corresponding life-time PD is assigned to the exposure;
- if the exposure is included in Stage 3, PD is 100%;

The procedure for calculating the final PD is divided into two steps:

- calculation of one-year PDs for the previous year, which is based on TTC PD adjusted for macroeconomic developments;
- calculation of multi-annual (cumulative) PDs, within which the multiplication of one-year transition matrices, modified according to the macro forecast for the respective year, is applied.

PD for the default rating level is calculated over the selected horizon using annualized migration matrices. Migration matrices are square stochastic matrices that describe the Markov process of migration between rating levels. PD at horizons that do not correspond to whole years are calculated by interpolation that uses the estimate of the stochastic root of the migration matrix for the corresponding year.

For the consolidated financial statements purposes, the Group divides the internal ratings into the following risk categories having also its external rating equivalent based on PD intervals from Moody's annual reports.

In the event of the existence of an external rating of the exposure, this rating is used directly and the following mapping matrix is not used.

PD from	Mid PD from annual Moody's reports	PD to	Internal rating	External rating equivalent	Risk category
0.0000%	0.0665%	0.1055%	1	A / A2	Very low risk
0.1055%	0.1672%	0.2187%	2	BBB / Baa2	Low risk
0.2187%	0.2859%	0.3922%	3	BBB- / Baa3	Low risk
0.3922%	0.5377%	0.6558%	4	BB+ / Ba1	Medium risk
0.6558%	0.7996%	1.0526%	5	BB / Ba2	Medium risk
1.0526%	1.3844%	1.6687%	6	BB- / Ba3	Medium risk
1.6687%	2.0100%	2.5098%	7	B+ / B1	Medium risk
2.5098%	3.1299%	3.9113%	8	B / B2	Medium risk
3.9113%	4.8780%	5.1379%	9	B- / B3	Medium risk
5.1379%	5.4108%	6.5762%	10	CCC+ / Caa1	High risk
6.5762%	7.9715%	12.4643%	11	CCC / Caa2	High risk
12.4643%	18.9674%	99.9999%	12	CCC- / Caa3	High risk
100.0000%	100.0000%	100.0000%	13	D	Default

For debits and reverse repurchase agreements, the collateral is required to be a security traded on an active liquid market. Therefore:

- for Stage 1, no internal rating is assigned;
- Stage 2 and 3 is assigned to receivables overdue. An internal scoring/external rating must be assigned to an entity.

PD during the TTC cycle is subsequently adjusted according to macroeconomic developments to reflect the appropriate phases of the economic cycle.

Individual risk management departments are responsible for the calculation and update of relevant PDs. The entities in the Group primarily determine the rating of non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Furthermore, the entities determine rating for its commitments provided, financial guarantees and undrawn limits. Scorecards are used to assign internal PDs to the appropriate exposures.

Scoring models also use external data (i.e. benchmarking models) that were mainly used for portfolios in which the variables applied are identical or very similar for a large number of banks (e.g. operating financing or personal loans).

Exposure at default (EAD)

Determination of Exposure at default (EAD) EAD refers to the level of exposure at default of the client which is then multiplied by PD and LGD in order to calculate the expected credit loss (ECL). Thus, EAD is a discounted 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.

For off-balance sheet exposures, the EAD represents the approved undrawn commitment adjusted by the conversion factor. If not enough data is available to prepare a statistical model for determining cash flows, the Group uses historical experience or regulatory parameters according to the type of product as follows:

Type of product	Method of determining CCF
Overdrafts	Internal historical data
Credit cards	Internal historical data
Guarantees	Regulatory values under Basel III

Forward looking indicators

The expected loss model also considers information about future events. This information includes outlooks for industries in which individual counterparties operate, analysis from economic experts, financial analysts reports, data from government institutions, think tanks and other, including also consideration of internal and external sources of information relating to the current and future state of the general economic issues.

The Group assigns counterparties relevant internal assessment of credit risk depending on their creditworthiness.

Reporting of ECL in financial statements:

- statement of financial position:
  - for financial assets measured at amortised cost as a deduction from the GCA of the assets;
  - for debt instruments measured at fair value through OCI, expected credit losses are not deducted from the carrying amount of a financial asset, as the carrying amount is already measured at fair value. However, an allowance is recorded as a decrease in revaluation reserve in OCI;
  - for loan commitments and financial guarantee contracts generally as a provision.
- in the income statement, expected credit losses are presented as net change in loss allowances for financial instruments.

Sensitivity analysis

The sensitivity of expected credit losses (ECL) is affected by the probability of default (PD) and impairment losses (LGD). Therefore, the Group prepares optimistic and pessimistic scenarios reflecting the amount of expected credit losses on a change of impairment losses by 10%. The probability of default is influenced by the change in GDP as a key forward-looking indicator. Therefore, the Group also analyses the impact of a change in GDP by +/− 1% on the value of expected credit losses.

Modification of financial assets

If there is a change in the cash flows of a financial asset due to a change in the contractual terms between the Group and the counterparty (modification not only due to financial difficulties) while the change in the terms of the contract is classified as significant, the financial asset is derecognised and a new financial asset is recognised at fair value, including transaction costs. The present value of cash flows is discounted using a new effective interest rate, which is also used for a calculation of interest revenues.

The change is classified as significant based on the quantitative factor, i.e. if the difference between the net present value of the asset under the new conditions using the original effective interest rate and the original carrying amount of the asset differs by at least 10% compared to the original value or based on the qualitative factor, such as the change of the loan currency, change of the interest type from fixed to variable and vice-versa, change of the debtor in case of merger etc.

If the change in the terms of the contract is not classified as significant and the financial asset was not derecognised, the Group recalculates the present value of the modified cash flows from the financial asset, and the difference between the gross carrying amount before the change in the terms and conditions (not considering existing impairment) is recorded as the effect of the modification of assets to the profit or loss. The present value of modified cash flows is discounted using the original effective interest rate also used for the calculation of interest revenues. Costs and fees adjusting the carrying amount of a modified financial asset are amortised over the remaining term of modified financial asset.

Write-off

The gross carrying amount of a financial asset should be written-off directly when there are no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event. This involves situations in which the Group determines that the debtor does not have the necessary assets or resources of income to repay the debt. The assessment is performed on an item-by-item basis. In the case of write-off, the Group derecognises the gross carrying amount of a financial asset. Write-offs do not affect profit or loss, as the written-off amounts are included in loss allowances. However, derecognised financial assets may still be recovered by the Group in accordance with its debt recovery policies, therefore they are recorded off-balance sheet by the Group.

Treasury bills

Treasury bills, comprising bills issued by Czech government agencies, are measured at amortised cost, which includes the amortised discount arising on purchase. The discount is amortised over the term to maturity with the amortisation being included in interest income.

Issued investment securities

Issued investment securities consist mainly of bonds included in the minimum requirements for capital and eligible liabilities (MREL), which are measured at amortized cost.

Subordinated debt

Subordinated debt consists of subordinated term deposits and subordinated bonds issued, measured at amortised cost. In the event of the Group’s insolvency, the subordinated debt will be settled only after all other non-subordinated debts have been settled.

Derivatives

Derivatives including currency forwards, cross currency swaps, interest rate swaps and options are initially recognised in the statement of financial position at fair value.

Changes in the fair value of derivatives are included in Net income from trading and investments.

(c) Repurchase and resale agreements

Where securities are sold under a commitment to repurchase at a predetermined price (“repurchase agreements”), they remain on the statement of financial position and a liability is recorded equal to the consideration received. For these securities, there is no change in the measurement method and classification as a result of the repurchase transaction; they remain in the same measurement category. Conversely, securities purchased under a commitment to resell (“reverse repurchase agreements”) are not recorded in the statement of financial position and the consideration paid is recorded as a cash equivalent. The difference between the acquisition cost and the selling price is treated as interest that accrues over the life of the contract. Repurchase and reverse repurchase transactions are recognised on a settlement date basis.

(d) Intangible assets

Goodwill and intangible assets acquired in a business combination

Goodwill represents the excess of acquisition cost over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary or associate at the date of the acquisition, including non-controlling interests. Goodwill on acquisition of subsidiaries is included separately under intangible assets. Goodwill on acquisition of associates and joint ventures is included in the carrying amount of investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets acquired in a business combination are recorded at fair value on the acquisition date if the intangible asset is separable or arises from contractual or other legal rights. Intangible assets with an indefinite useful life are not subject to amortisation and are recorded at cost less impairment. Intangible assets with a definite useful life are amortised over their useful lives and are recorded at cost less accumulated amortisation and impairment.

Annually, the Group conducts impairment testing of other intangible assets with indefinite useful lives, and of cash generating units (CGUs) where a trigger for impairment testing is identified. As at the acquisition date goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination’s synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which goodwill relates, on the basis of a value in use that reflects estimated future discounted cash flows or on the basis of fair value less costs to sell.

In the majority of cases the Group estimated the recoverable amounts of goodwill and the cash generating units based on value in use. Value in use was derived from management forecasts of future cash flows updated since the date of acquisition. The discount rates applied to the cash flow projections are calculated as the weighted average cost of capital (WACC) of each CGU.

Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Amortisation is carried out on a straight-line basis over the estimated useful economic lives of assets, ranging from 2 to 21 years.

Software	
Operating applications	3–9 years
Application for management of clients' portfolios	2–10 years
Application for management of banking products	18–21 years
Other intangible assets	*2–9 years*

(e) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Depreciation is provided on a straight-line basis over the estimated useful economic life of the asset.

Buildings	30–50 years
Office equipment, safe deposit boxes	3–10 years
Fixtures and fittings	3–5 years
Right of use	according to the duration of a lease contract

Land is not depreciated.

Assets under construction are not depreciated.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset.

The Group's non-current assets are tested for impairment on a regular basis as at the date of the financial statements. Impairment of assets is recognised in the income statement under other operating expenses.

(f) Leases

Group as the lessor

Lease contracts through which the Group transfers all of the risks and rewards incidental to ownership of an asset to the lessee are classified as finance leases. Finance lease receivables are reported as loans and other advances to customers and are stated at the present value of minimum lease payments and unguaranteed residual value. Lease payments are discounted using the interest rate implicit in the lease. Financial revenues reflect a constant periodical rate of return of the Group's net investment in finance leases.

Profit/loss from the sale of assets that are owned by the Group but were previously finance lease assets are recognised in their net amount in Other operating income or expense.

Payments from leases classified as operating leases are recognised in the income statement on a straight-line basis over the lease term, specifically as part of other operating expenses.

Group as the lessee

The Group applies IFRS 16 to all leases. A contract has the character of a lease or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses whether the contract contains a lease for each potential individual lease component and re-evaluates the nature of the contract only if there is a change in the contractual terms.

If a contract contains a lease, the Group as the lessee recognises the right-of-use asset and the lease liability as at the lease commencement date. The classification of the right-of-use into tangible/intangible assets class is based on the leased asset, i.e. on the underlying asset. The Group has lease contracts where the leased assets are buildings (the bank's office premises, branches) and cars.

The Group uses the exception for lease classification under IFRS 16 for short-term leases and leases whose underlying asset has a low value (EUR 5,000/CZK 130,000).

The Group as the lessee recognises lease payments relating to lease contracts in the recognition exemption regime as expenses over the term of the lease.

On the commencement date of the lease, the Group measures the right-of-use asset at acquisition cost, which includes the initial measurement of the lease liability, all directly incurred or estimated ancillary costs necessary to bring the underlying asset to the condition required by the lease terms, lease payments made on or before the commencement date, and lease incentives.

After the commencement date of the lease, the Group shall measure the asset using the model of measuring at cost less accumulated depreciation and accumulated impairment losses, adjusted for any remeasurement of the lease liability.

As at the lease commencement date, the Group shall measure the lease liability as the present value of lease payments that have not been paid at that date. Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group's incremental borrowing rate, if not.

On initial recognition, the Group subsequently measures the lease liability by recognising interest on the lease liability, decreasing the carrying amount of the liability to reflect lease payments, remeasuring the carrying amount to reflect any lease revaluation or modifications.

While right-of-use assets are presented under Property, plant and equipment in the statement of financial position, lease liabilities are presented under Other liabilities and provisions. The Group recognises interest expense on a lease liability separately from the right-of-use asset depreciation in the income statement and in the statement of other comprehensive income. Lease liability interest expense represents a component of finance expense.

(g) Investment property

Investment property is represented by assets that are held to generate rental income or to realise a long-term increase in value, and are not used in production or for administrative purposes or sold as part of the ordinary business activities of the Group.

Investment property is intially measured at acquisition cost and subsequently at fair value, with any change being recognised in Other operating income or expense. Fair values of investment property are determined by an independent appraiser based on DCF models, with inputs coming from rental income projections, or based on a combination of the DCF model.

(h) Foreign currency translation

Transactions denominated in foreign currencies are translated into CZK at the official Czech National Bank exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the statement of financial position date. All resulting gains and losses are recorded in the income statement in Net income from trading and investments, in the period in which they arise. Foreign exchange differences arising from the translation of financial statements of foreign operations are recognised in other comprehensive income as part of the translation and revaluation reserve.

(i) Income and expense recognition

Interest income and interest expense are recognised in profit or loss using the effective interest rate method.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability. The calculation of the effective interest rate includes all fees and points paid or received, transaction costs and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income/ interest expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. the amortised cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortised cost of financial liabilities. For credit-impaired financial assets, the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

For purchased or originated credit-impaired financial assets (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Interest income from trading financial assets, lease receivables, bonds at FVTPL is recognised as other interest income.

Negative interest income from financial assets is recognised as interest expense, positive income from financial liability as interest income.

Fee and commission income is accounted for pursuant to IFRS 15, applying the basic principle according to which revenue is recognised in a manner to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To determine when and at what amount revenue should be recognised, the Group uses a five-step model for revenue recognition in accordance with IFRS 15.

Fees and commissions are divided based on the nature of the fee and the type of service provided as follows:

- fees and commissions for services provided that are recognised as the services are provided. These are recognised on a continuous basis in Net fee and commission income;
    - fees for keeping accounts, asset management, custody, etc.
- fees and commissions for the execution of the transaction are recognised when the transaction is provided and reported on a one-off basis in the Net fee and commission income;
    - payment fees, fees for the subscription of issued bonds, fees from financial instruments (mediation), clearing fees, etc.

(j) Income tax

Tax paid is calculated in accordance with the provisions of the relevant legislation based on the profit recognised in the statement of comprehensive income prepared pursuant to respective local statutory accounting standards, after adjustments for tax purposes.

Deferred tax is calculated using the statement of financial position liability method, providing for temporary differences between the accounting and taxation basis of assets and liabilities. Deferred tax liabilities are recognised for taxable temporary differences. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. For the calculation of deferred income taxes, currently enacted (or approved) tax rates as of the date of preparing the consolidated financial statements are used.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash deposited with central banks (including Obligatory minimum reserves) and other banks and short-term highly liquid assets with original maturities within three months.

(l) Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. In provisions, the Group also reports ECL for off-balance sheet items in form of granted commitments and guarantees. The Group reports changes in provisions in the income statement according to the nature of the financial instrument item to which the creation or release relates (i.e., in personnel expenses, other operating expenses, or as loss from loans and other receivables, net change in allowances for financial instruments).

(m) Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when the Group has a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis.

(n) Segment reporting

IFRS 8 requires that operating segments are identified based on internal reporting about the business units of the Group which are regularly reviewed by the Board of Directors and allow proper allocation of resources and evaluation of the performance. This segment analysis is basis for review and strategic and operational decision making of the management.

At the Group level, the management monitors the consolidated group through individual group companies; therefore, segments are established based on the business activity of the individual companies. The Group's management is provided with the information allowing the evaluation of the performance of individual segments.

The Group's reportable segments according to IFRS 8 are as follows:

- banking;
    - categorisation by country;
- asset management;
- other.

(o) Business combinations and purchase price allocations

The acquiree's identifiable assets, liabilities and contingent liabilities are recognised and measured at their fair values at the acquisition date. For financial statement reporting purposes, allocation of the total purchase price among the net assets acquired is performed with the support of professional advisors. The valuation analysis is based on historical and prospective information available as of the date of the business combination. Any prospective information that may impact the fair value of the acquired assets is based on management's expectations of the competitive and economic environments that will prevail in the future. The results of the valuation analysis are also used to determine the amortisation and depreciation periods for the values allocated to specific intangible and tangible fixed assets. Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition.

(p) Disposal groups held for sale

Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Disposal groups are classified as held for sale if their carrying amounts are primarily recovered through a sale transaction rather than through continuing use. This condition is regarded as met only if the sale is highly probable and the disposal group is available for immediate sale in its present condition, management has committed to the sale, and the sale is expected to be completed within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(q) Dividends

Dividend expense is recognised in the statement of changes in equity and recorded as liabilities in the period in which they are declared.

Dividend income is recognised when the right to receive payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders approve the dividend for unlisted equity securities.

The presentation of dividend income in the statement of income depends on the classification and measurement of the ownership interests, i.e.:

- for equity instruments which are held for trading, dividend income is presented in net trading income;
- for equity instruments measured at fair value through other comprehensive income, dividends are presented in the income statement under "Net income from trading and investments", except when these dividends clearly represent a recovery of part of the acquisition cost of the investment;

(r) Employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Amounts due to employees, such as amounts relating to accrued vacation pay or performance bonuses, are recognised as other liabilities.

(s) Other equity instruments

Other equity instruments are issued, subordinated, unsecured and yield certificates with a fixed interest income dependent on the fulfilment of particular conditions (hereinafter "Certificates"). These Certificates have no maturity date.

The Certificates have the character of hybrid financial instruments combining the economic features of equity and debt securities.

The Group classified Certificates in accordance with IAS 32 and assessed all the conditions for the definition as equity instrument. Certificates meet both of the required conditions:

- the Certificates include no contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or liabilities with another entity under conditions that are potentially unfavourable to the issuer;
- if the Certificates are or may be settled in the entity's own equity instruments, the Certificates are non-derivative instruments, which include no contractual obligation for the issuer to deliver a variable number of its own equity instruments.

The Group may redeem the Certificates with the approval of the Czech National Bank. Holders of Certificates have no right to ask for redemption, except in the event of the Group's liquidation.

The Group commits to paying interest income generated from Certificates to the holders, but may also decide not to pay the interests accrued by the Certificates without compensating this in future periods. The Group will pay interest if there are funds available and if it is approved to be used by the General Meeting of the Group. When there are not sufficient funds available, the payment is reduced proportionately. Payment of earnings can be drawn from:

- the Group's net profit;
- retained earnings;
- other equity components that the Bank is authorised to distribute to its shareholders by its decision.

As the Group has no obligation to deliver cash to the holders of Certificates or to settle the contractual obligation by providing other financial assets, (i.e. Certificate holders do not have right to redemption of the principal amount or the interest income and as the Certificates have no maturity date), they are included in additional Tier 1 capital. This inclusion is subject to approval by the Czech National Bank.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

These principles supplement the commentary on financial risk management across the entire Group.

4.1. Key sources of estimation uncertainty

Expected credit losses

Expected credit losses are determined for those assets classified at amortised cost, debt instruments at fair value through other comprehensive income, guarantees and commitments provided. The basis used for its calculation and principles considered are described in note 3(b).

Changes in PD, LGD, FLI, SICR

In 2024, the Group performed standard updates relating to PD, LGD, FLI and SICR. This mainly involved the inclusion of the most up-to-date data in models. At the end of 2024, a regular annual update of the PD model and LGD update for FVOCI bonds was performed based on publicly available data from Moody's for 2023 (Annual default study).

FLI model

To derive the point in time (PIT) and through the cycle (TTC) matrices, the Group uses the migration matrices listed in the publicly available materials of Moody's (covering the period from 1983 to 2023), mainly due to the insufficient granularity of the portfolio and the length of time of its own observed data. The Group uses a procedure that is based on Merton's one-factor model. Macroeconomic influence in the model is represented by the Z-component. Maximization of the likelihood is used to find the functional relationship between macroeconomic variables and the Z-component.

For the estimation of the correlation between the Z-component and macroeconomic units, the following variables were taken into account – real GDP growth (annual percentage change) and the Z-component. Based on historical experience, this is the most reliable variable; other variables are not considered in order to preserve the robustness of the model, which can only be estimated using a limited number of observations.

Based on the estimated development of changes in real GDP and the relationship between the Z-component and this macroeconomic variable, the corresponding point-in-time forward-looking (PIT FL) transition matrices are subsequently calculated based on the estimated development of the Z-component by adjusting the TTC matrix for the Z-component. In addition to the model for the Z-component, a GDP scenario model is also used for these estimates, which takes into account the historical development of real GDP in the given country, the projection of the development of real GDP in this country (from the respective central bank) or the projection of global macroeconomic development (IMF) including their observed predictive capabilities. The PIT FL transition matrices are estimated for a period of 5 years. Beyond this horizon, it is assumed that the Z-component is zero, and the TTC matrix is therefore used.

PD variants

Standard PD: The four PD scenarios are generated based on the 5%, 12.5%, 25% and 50% quantiles of the estimate of the real GDP growth for each country. The four PD sets are equally outweighed by 25% weight.
Crisis PD: There are independent PDs generated for exposures found in fields struck by crisis (selected NACE sectors).
Mild Crisis PD: There are independent PDs generated for exposures found in fields struck by a milder crisis (selected NACE sectors).

The Bank's highest exposure of its credit portfolio are to the Czech Republic (51%) and the Slovak Republic (16%) as at 31 December 2024. Shares in other countries are insignificant.

Real GDP growth used (in %):

Country	Year	National Bank	Forecast of the National Bank	Estimated values			
				5% quantile	12,5% quantile	25% quantile	50% quantile
CZE	2024	CNB	1.02	(0.16)	0.29	0.73	1.34
CZE	2025	CNB	2.44	(1.92)	(0.89)	0.14	1.63
CZE	2026	CNB	2.44	(2.7)	(1.55)	(0.42)	1.17
CZE	2027	CNB		(3.51)	(2.01)	(0.52)	1.58
CZE	2028	CNB		(3.43)	(1.92)	(0.5)	1.53
CZE	2029	CNB		(3.46)	(2.06)	(0.62)	1.48
SVK	2024	NBS	2.8	(0.04)	0.84	1.71	2.9
SVK	2025	NBS	3.2	(1.43)	(0.44)	0.54	1.88
SVK	2026	NBS	2.1	(2.18)	(1.23)	(0.29)	1.01
SVK	2027	NBS		(2.9)	(1.46)	0.09	2.23
SVK	2028	NBS		(2.9)	(1.38)	0.11	2.21
SVK	2029	NBS		(3)	(1.38)	0.11	2.23

Data sources:

Country	National Bank	Data Source
CZE	Czech National Bank (CNB)	Monetary Policy Report
SVK	National Bank Slovakia (NBS)	Economic and Monetary Developments

PD curves are updated continuously, whenever forecast of the country's National Bank changes by more than 1 percentage point.

ECL model ("management overlays")

The Group applies management overlays through interventions in the PD model and uses them to correct the impact of the ongoing effects of the crisis on the PD model. The first adjustment applied is the choice of four equally weighted pessimistic macroeconomic scenarios that are used in the model. The use of scenarios created from 5%, 12.5%, 25% and 50% quantiles of GDP predictions, as well as the corresponding ¼ weights of all these scenarios present, the Group's conservative outlook for future economic development.

Another significant management overlay is the division of sectors into groups, specifically into sectors (ordinary PD), where we expect the development in the given sector to correspond to the expected development of GDP, and sectors (crisis PD), where development is at risk due to the influence of current risk factors in the market (mainly the effects of inflation, interest rates, energy crises, problems in supply-customer chains, etc.). The division of sectors was approved by the relevant Group Committee. PDs for Ukraine and Russia are determined separately, given the increased geopolitical risk. For expositions in Russia and Ukraine, the Group has further used a prudent overlay in the form of creating allowance in the value of 50% of the assessed exposure.

The above set-up remains in effect, and a fourth set – Mild Crisis – has been added to the original three PD sets (Standard, Crisis, Russia/Ukraine). The new set is used for sectors where there has been some improvement in risk factors, or improvement is expected, so the Group no longer considers it necessary to keep these sectors among the crisis sectors. Furthermore, this set is used for sectors where standard PDs have been applied so far, but risk factors have deteriorated or deterioration is expected.

These new Mild Crisis PDs correspond to the 1% quantile for the first two years, followed by a Z-component equal to -2 (corresponding to approximately 2% quantile) for the other three years and 1.5 times the systematic risk.

In addition to the new PD set, there is a change in the methodology for classifying sectors into risk categories. Instead of an expert assessment and subsequent division into standard and crisis sectors, the division will be based on a weighted average of time series (historical defaults) from Moody's and evaluation by a group of experts. The final division of sectors into Standard, Mild Crisis and Crisis is determined based on:

- four data series with assigned weights:
    - Moody's default rate: 2023 (for the last year),
    - Moody's default rate: 10-year average,
    - Moody's default rate: 20-year average,
    - group of experts,

- determination of intervals for default frequency occurrence in economic sectors based on Moody's time series,
- assignment of values 1 – 3 (risk determination) for default volumes in Moody's time series for individual economic sectors based on determined intervals,
- weighted average from data series to determine the risk level of individual sectors.

Based on this approach, sectors are therefore divided into three categories according to risk level, and the corresponding PD set is used for each category.

Recalibration will be performed at least once a year based on current Moody's data and updates of expert assessment of sectors. In case of market changes, the Bank's Board of Directors and the Credit Risk Management Division Director may call for an update of the expert sector assessment.

Along with the new PD set (Mild Crisis) and the new approach to dividing sectors into risk categories, a change in the application of minimum LGD will also be implemented. Until now, when calculating ECL, at least the LGD for the third LGD scenario was applied; going forward, the final LGD will be applied. This means that if the resulting LGD calculated from the three LGD scenarios does not reach the minimum LGD level, the minimum LGD level is applied.

The impact of the above management overlays was as follows:

31/12/2024	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management overlays	2,736	56
Impact of management overlays	817	49
Final amount of loss allowances and provisions after management overlays	3,553	105

31/12/2023	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management overlays	3,343	48
Impact of management overlays	571	33
Final amount of loss allowances and provisions after management overlays	3,914	81

Determining provisions

The amounts recognised as provisions are based on management's judgment, in some cases supported by reports from the Group's legal department or reports from independent experts and external lawyers. The amount of provisions represents the best estimate of expenditures required to settle the liability with uncertain timing or the uncertain amount of the obligation. The carrying amount of provisions represents the present value of expected cash flows needed to settle the estimated liability. The Group discounts to present value using a discount factor based on market interest rates, taking into account the currency in which the provision is created and also the expected duration of the liability.

Determining fair values

The fair value of financial assets is based on their quoted market price at the reporting date, without any deduction for transaction costs. If a quoted market price is not available, the fair value of the asset is estimated using pricing models or discounted cash flow techniques.

The Group determines the fair value hierarchy according to IFRS 13 and establishes fair value using the following hierarchical system that reflects the significance of the inputs used in the valuation:

- Level 1 – entries are (unadjusted) quoted prices in active markets for identical assets or liabilities to which the Group has access at value date.
- Level 2 – inputs are inputs other than quoted prices included in Level 1 that are directly or indirectly observable for an asset or liability:
  - quoted prices of similar assets or liabilities in active markets,
  - quoted prices of identical assets on markets that are not active,
  - input quantities other than quoted prices that are observable,
  - market-supported inputs.
- Level 3 – inputs are unobservable inputs for an asset or liability. The given assets or liabilities are not traded in active markets.

Loans and other advances to customers and Due from financial institutions: Fair value is calculated based on discounted expected future cash flows of principal and interest using the appropriate yield curve and risk spread. The estimate of expected future cash flows takes into account credit risk, changes in credit status since the loans were provided, and changes in discount rates in the case of fixed rate loans.

Investment securities at amortised cost: Fair value is based on the market price quoted on an active market at the date of the financial statements.

Deposits and loans from banks and customers and subordinated deposits: For demand deposits and deposits with no defined maturity, fair value is taken to be the amount payable on demand at the statement of financial position date. The estimated fair value of fixed-maturity deposits is based on discounted cash flows using appropriate yield curve.

Subordinated bonds issued: The fair values of the subordinated bonds issued by the Group are based on current market prices. The fair value of the bonds does not contain direct transaction costs charged on issuance.

In the vast majority of cases, the fair value of Level 3 investment securities and provided loans is estimated using discounted cash flow ("DCF") models, with inputs coming from the specific investment's business plan or cash flow projections. The discount rates are set on the basis of industry and country specifics relevant to the instrument. The key assumptions used in the valuations include the expected cash flows and discount rates. Unobservable inputs in Level 3 valuation, which represent the main sources of estimation and uncertainty, are presented in note 19.

Valuation of investment property

Investment property is carried at fair value through profit or loss and classified as Level 3 according to the fair value hierarchy. Fair values of investment property are determined by independent appraisers based on DCF models, with inputs coming from rental income projections or based on a combination of the DCF model. Unobservable inputs in the valuation of investment property at fair value, which represent the main sources of estimation and uncertainty, are presented in note 24.

Climate change

A significant source of uncertainty are insecurities even in the field of environmental risks, social responsibility, and corporate management. All of those are considered when determining accounting estimates, such as business combinations, decrease in asset values, reserve accounting or determining useful life of assets. Climate risks are managed and monitored within the Group by the Bank's Risk Management Department in cooperation with the Sustainability Committee, with information on risk management provided in note 43.

4.2. Assessment of control over investment funds

The Group uses its judgement when deciding whether it exercises control over an investment fund (including all interests and expected management fees) or not. When assessing the duty to consolidate funds, the Group evaluates the following control criteria:

- power
    - the right to manage the fund's activities is usually defined in the fund's statutes;
    - an investor who has the right and ability to manage the relevant activities of the fund; does not acquire power over the fund; and if the acquisition and maintenance of those rights can be influenced by a third party - in other words: if the third party can deprive or restrict those rights;
- exposure to variable yields
    - arises from the ownership of allotment certificates or funds' investment shares. In this case, the variability is derived from the change in the value of the allotment certificate or investment share reflecting changes in the fund's performance and the entitlement to a fee for the fund's management, i.e. a management fee set in the form of a fixed amount or expressed as a percentage of a certain financial indicator, and a performance fee payable to the manager when the fund achieves a specified performance level;
    - the assessment of the variability of these yields is performed in proportion to the total variable yields of the investee fund. This assessment shall be made primarily on the basis of the expected yields from the investee's activities;
- ability to affect the yields through power

An investor controls a unit only when all the above control criteria are met; The Group may also acquire control over funds through investment in subsidiaries that manage, administer or invest in funds.

The obligation to consolidate the fund by the entity arises when control of the fund arises – assessed on the basis of the above control criteria, which include an analysis of whether the Group is in the position of principal or agent:

- principal = consolidate;
- agent = do not consolidate.

Based on the analysis' results, the Group includes the following funds into its consolidated group as at 31 December 2024:

- J&T ORBIT SICAV, a.s. – the fund consolidated based on the ownership interest and control over the fund via the subsidiary AMISTA investiční společnost, a.s.,
- J&T VENTURES I otevřený podílový fond – the fund consolidated based on the ownership interest and control over the fund via the subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s.
- J&T NextGen otevřený podílový fond – the fund consolidated based on the ownership interest and control over the fund via the subsidiary J&T INVESTIČNÍ SPOLEČNOST, a.s.

5. SEGMENT INFORMATION

(a) Business segments

Information on business segments is disclosed in note 3(n).

31/12/2024	Banking CR	Banking SR	Banking HR	Banking DE	Asset management	Other	**Total**
Net interest income	10,115	(902)	73	(1,049)	15	8	**8,260**
Inter-segment	(1,572)	1,584	(2)	-	11	(23)	**(2)**
Net fee and commission income	1,104	172	2	-	1,904	(1)	**3,181**
Inter-segment	699	-	3	-	(699)	-	**3**
Net income/(loss) from trading and investments	1,063	(4)	1	-	30	12	**1,102**
Inter-segment	38	(12)	-	-	(13)	3	**16**
Other operating income	(49)	5	5	4	(13)	279	**231**
Inter-segment	(1,478)	307	-	1,183	(9)	2	**5**
Operating income	***12,233***	***(729)***	***81***	***(1,045)***	***1,936***	***298***	***12,774***
Other significant non-cash items							
Net change in loss allowances for financial instruments	(108)	298	41	-	2	(51)	**182**
Loss from loans and other receivables	(254)	-	-	-	-	-	**(254)**
Profit/(loss) before tax	***8,675***	***(1,140)***	***21***	***(1,180)***	***1,564***	***84***	***8,024***
Asset segment	***301,871***	***8,627***	***1,584***	***263***	***2,205***	***3,140***	***317,690***
Liability segment	***203,975***	***43,741***	***1,274***	***26,236***	***343***	***1,138***	***276,707***

31/12/2023	Banking CR	Banking SR	Banking RU	Banking HR	Banking DE	Asset management	Other	**Total**
Net interest income	9,830	(519)	156	76	(310)	10	133	**9,376**
Inter-segment	(1,062)	1,228	(2)	(3)	-	2	(163)	**-**
Net fee and commission income	889	114	-	2	-	1,313	(29)	**2,289**
Inter-segment	445	-	-	5	-	(441)	-	**9**
Net income/(loss) from trading and investments	1,802	4	171	-	-	12	(32)	**1,957**
Inter-segment	(3)	(2)	-	-	-	-	5	**-**
Other operating income	(7)	1	31	5	-	(7)	592	**615**
Inter-segment	(564)	104	(12)	1	455	(8)	11	**(13)**
Operating income	***12,514***	***(400)***	***358***	***83***	***(310)***	***1,328***	***664***	***14,237***
Other significant non-cash items								
Net change in loss allowances for financial instruments	(849)	(219)	(156)	(28)	-	(1)	(470)	**(1,723)**
Loss from loans and other receivables	(29)	(13)	-	-	-	-	-	**(42)**
Profit from interests in joint ventures and investments in associates	-	-	-	-	-	-	(1)	**(1)**
Profit/(loss) before tax	***7,623***	***(1,036)***	***56***	***(38)***	***(443)***	***1,022***	***(147)***	***7,037***
Asset segment	***277,555***	***7,185***	***-***	***1,820***	***219***	***1,946***	***4,359***	***293,084***
Liability segment	***189,198***	***38,670***	***-***	***1,471***	***20,952***	***301***	***2,230***	***252,822***

Basic indicators of entities within the Group are as follows:

31/12/2024	Average number of employees	Total assets	Income	Profit / (loss) before tax	Tax
AMISTA investiční společnost, a.s.	56	102	177	25	(31)
ATLANTIK finanční trhy, a.s.	8	115	46	21	(4)
J&T BANKA, a.s. (branch SR)	195	44,896	2,576	739	(228)
J&T BANKA, a.s. (branch DE)	10	26,236	1,199	3	(3)
J&T banka d.d.	51	1,618	106	19	-
J&T IB and Capital Markets, a.s.	5	751	164	109	(12)
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	8	79	111	23	(5)
J&T INVESTIČNÍ SPOLEČNOST, a.s.	49	1,056	1,648	778	(166)
J&T NextGen otevřený podílový fond	-	232	49	10	(1)
J&T Leasingová společnost, a.s.	3	-	-	-	-
J&T ORBIT SICAV, a.s.	-	1,108	9	(21)	-
J&T RFI I., s.r.o.	-	42	9	1	-
J&T VENTURES I otevřený podílový fond	-	90	1	1	-
Rustonka Development II s.r.o.	-	2,521	142	19	(5)

None of the entities within the Group was granted any public aid.

Stated accounting balances are before consolidation adjustments.

31/12/2023	Average number of employees	Total assets	Income	Profit / (loss) before tax	Tax
AMISTA investiční společnost, a.s.	48	89	150	29	(6)
ATLANTIK finanční trhy, a.s.	5	59	29	10	-
J&T BANKA, a.s. (branch SR)	178	39,442	1,778	293	(118)
J&T BANKA, a.s. (branch DE)	10	20,962	461	12	(2)
J&T banka d.d.	50	1,853	100	(37)	-
J&T IB and Capital Markets, a.s.	6	667	321	270	(3)
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	9	55	92	16	(3)
J&T INVESTIČNÍ SPOLEČNOST, a.s.	40	720	1,101	526	(102)
J&T Leasingová společnost, a.s.	10	1,076	265	(429)	-
J&T ORBIT SICAV, a.s.	1	1,076	1	20	-
J&T RFI I., s.r.o.	-	134	10	-	-
J&T VENTURES I otevřený podílový fond	-	113	1	(7)	-
Rustonka Development II s.r.o.	-	2,545	132	(25)	5

(b) Geographical segments

In presenting information on the basis of geographical areas, revenue/expense is based on the customer/counterparty's country of domicile and assets/liabilities are based on the geographical location of the assets/liabilities.

Statement of financial position

31/12/2024	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash, cash equivalents and due from banks and other financial institutions	110,163	7,897	775	15	118,850
Investment securities and positive fair value of derivatives	35,548	12,740	12,460	110	60,858
Loans and other advances to customers	42,478	13,050	46,851	8,196*	110,575
Total	***188,189***	***33,687***	***60,086***	***8,321***	***290,283***
Deposits and loans from banks	1,244	700	5,751	16	7,711
Deposits from customers	141,355	44,968	40,521	886	227,730
Negative fair value of derivatives	570	2	1,046	-	1,618
Issued investment securities	3,353	-	-	-	3,353
Subordinated debt	4,556	63	-	-	4,619
Total	***151,078***	***45,733***	***47,318***	***902***	***245,031***

** The position covers especially expositions in Switzerland and Great Britain.*

31/12/2023	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash, cash equivalents and due from banks and other financial institutions	133,888	6,237	839	5	140,969
Investment securities and positive fair value of derivatives	24,292	3,841	8,009	130	36,272
Loans and other advances to customers	31,303	9,037	51,716	9,400*	101,456
Total	***189,483***	***19,115***	***60,564***	***9,535***	***278,697***
Deposits and loans from banks	1,304	367	7,504	16	9,191
Deposits from customers	138,065	39,401	38,956	1,415	217,837
Negative fair value of derivatives	792	7	1,633	-	2,432
Issued investment securities	3,287	-	-	-	3,287
Subordinated debt	1,199	57	-	-	1,256
Total	***144,647***	***39,832***	***48,093***	***1,431***	***234,003***

** The position covers especially expositions in Switzerland, Great Britain and USA.*

Exposures to Russia and Ukraine mainly represent securities and positive fair value of derivatives in the amount of CZK 1,749 million and loans and other advances to customers in the amount of CZK 570 million. Among liabilities to these countries, the largest item represents deposits from clients in the amount of CZK 2,995 million.

Income statement

31/12/2024	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	5,664	(161)	2,021	736	8,260
Net fee and commission income	2,407	493	253	28	3,181
Net income/(loss) from trading and investments	1,918	(323)	(612)	119	1,102
Other operating income	128	76	27	-	231
Operating income	***10,117***	***85***	***1,689***	***883***	***12,774***
Personnel expenses	(1,598)	(349)	(110)	-	(2,057)
Other operating expenses and losses from sale of subsidiaries	(2,010)	(323)	(117)	(27)	(2,477)
Depreciation and amortisation	(89)	(36)	(19)	-	(144)
Profit before allowances, provisions and income tax	***6,420***	***(623)***	***1,443***	***856***	***8,096***
Loss from loans and other receivables	-	-	(254)	-	(254)
Net change in loss allowances for financial instruments	21	170	241	(250)	182
Profit before tax, excluding profit from equity accounted investees	***6,441***	***(453)***	***1,430***	***606***	***8,024***
Profit before tax	***6,441***	***(453)***	***1,430***	***606***	***8,024***

31/12/2023	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	4,612	486	3,179*	1,099	9,376
Net fee and commission income	1,601	387	230	71	2,289
Net income from trading and investments	566	(727)	1,417**	701	1,957
Other operating income	503	23	20	69	615
Operating income	***7,282***	***169***	***4,846***	***1,940***	***14,237***
Personnel expenses	(1,641)	(159)	(107)	(81)	(1,988)
Other operating expenses	(2,905)	(227)	153	(161)	(3,140)
Depreciation and amortisation	(235)	(36)	(17)	(18)	(306)
Profit before allowances, provisions and income tax	***2,501***	***(253)***	***4,875***	***1,680***	***8,803***
Loss from loans and other receivables	90	(27)	(29)	(76)	(42)
Net change in loss allowances for financial instruments	(313)	(269)	(742)	(399)	(1,723)
Profit before tax, excluding profit from equity accounted investees	***2,278***	***(549)***	***4,104***	***1,205***	***7,038***
Profit from equity accounted investees, net of tax	(1)	-	-	-	(1)
Profit before tax	***2,277***	***(549)***	***4,104***	***1,205***	***7,037***

** The position covers especially expositions in Cyprus and Luxemburg.*
*** The position covers especially expositions in Germany, Ireland and Cyprus.*

6. INTEREST INCOME

in millions of CZK	2024	2023
Interest income from:		
Loans and advances to customers	8,850	8,775
Reverse repurchase transactions	7,957	7,714
Bonds and other fixed income securities	1,539	905
Due from financial institutions	367	315
Total	***18,713***	***17,709***

Interest income from "Loans and other advances to customers" includes fees associated with the provision of loans of CZK 115 million (2023: CZK 132 million), calculated using the effective interest rate method.

Interest income by asset classes:

in millions of CZK	2024	2023
Interest income from:		
Financial assets at fair value through profit or loss:		
– investment securities for trading	395	369
- finance lease	10	*112*
Other interest income	***405***	***481***
Financial assets at fair value through other comprehensive income		
– investment securities	618	462
Financial assets at amortised cost		
– investment securities	525	76
– reverse repurchase transactions and due from financial institutions	8,324	8,027
– Loans and other advances	8,841	8,663
of which:		
unpaid interest on impaired loans	*184*	*432*
forbearance	*16*	*5*
Interest income calculated using effective interest rate	***18,308***	***17,228***
Total	***18,713***	***17,709***

7. INTEREST EXPENSE

in millions of CZK	2024	2023
Interest expense on:		
Deposits from customers	(9,291)	(7,741)
Deposits and loans from banks	(175)	(305)
Repurchase transactions	(561)	(153)
Lease liabilities	(13)	(7)
Issued investment securities	(258)	(69)
Subordinated debt	(155)	(58)
Total	***(10,453)***	***(8,333)***

	2024	2023
Interest expense by liability classes:		
Interest expense on:		
Financial liabilities at amortised cost	(10,453)	(8,333)
Total	***(10,453)***	***(8,333)***

8. FEE AND COMMISSION INCOME

The following overview presents the segmentation of fee and commission income by the Group's business segments from:

31/12/2024	Banking CR	Banking SR	Banking Other	Asset management	Total
Fee and commission income on:					
Trading with financial instruments	173	75	-	-	248
Foreign exchange services	37	19	-	-	56
Administration, custody and safekeeping of valuables	76	1	-	42	119
Issuance and administration of securities	764	50	-	-	814
Assets management	91	-	-	-	91
Distribution and other fees from funds	110	18	-	1,875	2,003
Lending activities	206	15	-	-	221
Other	26	10	2	42	80
Total	***1,483***	***188***	***2***	***1,959***	***3,632***

31/12/2023	Banking CR	Banking SR	Banking Other	Asset management	Total
Fee and commission income on:					
Trading with financial instruments	176	45	-	-	221
Foreign exchange services	42	10	-	-	52
Administration, custody and safekeeping of valuables	93	1	-	25	119
Issuance and administration of securities	511	49	-	-	560
Assets management	99	-	-	-	99
Distribution and other fees from funds	81	5	-	1,293	1,379
Lending activities	82	13	1	-	96
Other	96	5	7	28	136
Total	***1,180***	***128***	***8***	***1,346***	***2,662***

All fee and commission income is recognised in compliance with IFRS 15 Revenue from Contracts with Customers.

9. FEE AND COMMISSION EXPENSE

in millions of CZK	2024	2023
Fee and commission expense on:		
Issuance of securities for the clients and central administrative services for collective investment	(222)	(135)
Transactions in financial instruments	(58)	(56)
Administration, custody and safekeeping of valuables	(43)	(49)
Processing of payment transactions	(37)	(28)
Other	(91)	(105)
Total	***(451)***	***(373)***

10. NET INCOME FROM TRADING AND INVESTMENTS

in millions of CZK	2024	2023
Realised/unrealised net income on securities	708	769
Net gain/(loss) from derivative operations	(177)	1,094
Net (loss) from financial liabilities at fair value	(3)	(31)
Net income/(loss) from foreign currency translation	514	(9)
Dividend income	60	134
Total	***1,102***	***1,957***

in millions of CZK	2024	2023
Financial assets and liabilities at fair value through profit or loss:		
– those held for trading	(24)	1,546
– investment securities mandatorily at fair value	557	382
– financial liabilities at fair value	(3)	(31)
Financial assets at fair value through other comprehensive income	58	69
Foreign exchange differences	514	(9)
Total	***1,102***	***1,957***

11. OTHER OPERATING INCOME

in millions of CZK	2024	2023
Revenues from services and consulting	114	47
Rental income from investment property	19	27
Profit from the sale of non-current assets	2	1
Income from rendered operating leases	-	2
Rental income	3	3
Revenue from the sale of services	2	-
Revenue from the sale of electricity	-	330
Profit from the revaluation of gold bullion	11	16
Other income	80	189
Total	***231***	***615***

Other income includes revenue from the project office in the amount of CZK 24 million (2023: CZK 0 million) and a number of items that are separately immaterial. For 2023, other income includes revenue from the sale of the IT department and services in the amount of CZK 80 million, fines of CZK 35 million, etc.

12. PERSONNEL EXPENSES

in millions of CZK	2024	2023
Wages and salaries	(1,384)	(1,341)
Remuneration paid to key management personnel	(170)	(161)
Compulsory social security contributions	(401)	(387)
Other social expenses	(102)	(99)
Total	***(2,057)***	***(1,988)***
Average number of employees during the reporting period	***889***	***968***

As at 31 December 2024, the board of directors of the Group’s parent company had 6 members (2023: 6).

13. OTHER OPERATING EXPENSES

in millions of CZK	2024	2023
Rental expense	(183)	(168)
of which recognition exemption applied under IFRS 16		
- *lease of low-value assets*	*(64)*	(62)
- *short-term leases*	*(40)*	(38)
Contributions to Deposit Insurance Fund	(49)	(72)
Contributions to Crisis Resolution Fund	(68)	(143)
Taxes and fees	(5)	(93)
Operating costs:		
Outsourcing	(1,098)	(724)
Advertising expenses and promotion	(264)	(257)
Repairs and maintenance – IS, IT	(7)	(38)
Audit, legal and tax consulting	(83)	(115)
- *Statutory audit of annual financial statements*	*(38)*	*(21)*
- *Tax consulting*	*(6)*	*(6)*
- *Other non-audit services*	*(39)*	*(88)*
Expenses associated with leased premises	(12)	(13)
Consulting expenses	(67)	(65)
Sponsorship and gifts	(124)	(41)
Communication expenses	(29)	(28)
Materials	(16)	(24)
Transport and accommodation, travel expenses	(19)	(18)
Expenses related to investment property	(18)	(122)
Other operating expenses	(321)	(336)
Total	***(2,363)***	***(2,257)***

Other operating expenses of CZK 321 million as at 31 December 2024 (2023: CZK 336 million) include many sundry items that are not significant on an individual basis.

While monetary payments of the principal of a lease liability amounted to CZK 51 million (2023: CZK 40 million), monetary payments of the interest part of the lease liability amounted to CZK 13 million (2023: CZK 7 million).

14. INCOME TAX

Income tax for 2024 was calculated in accordance with Czech tax regulations at the rate of 21% (2023: 19%). The corporate income tax rate for 2025 will be 21%.

The Slovak branch pays tax in accordance with Slovak tax regulations. The tax paid by the branch in Slovakia is offset against the income tax for the Group as a whole paid in the Czech Republic. The income tax rate in Slovakia is 21% (2023: 21%). In 2025, the income tax rate in Slovakia will be 24%.

From 1 January 2024, the obligation to pay a special levy on business in regulated sectors came into effect for persons operating on the basis of a licence issued or granted by the National Bank of Slovakia (NBS). The levy is calculated as the product of the levy base and the applicable rate. The levy is based on the company's economic result reported in the financial statements submitted with the tax return (Section 5 of Act No 235/2012 Coll.) multiplied by a coefficient. The coefficient for the purpose of calculating the levy base is calculated as the ratio of revenues from regulated activities to total revenues for the accounting period for which the economic result for calculating the levy base was reported. The rate of the levy for a regulated entity carrying out banking activities on the basis of a banking licence granted by the NBS pursuant to a special regulation or on the basis of an authorisation or permit to carry out banking activities issued in another European Union Member State and in a State which is a contracting party to the European Economic Area Agreement, is 0.025 per month, i.e. 30% per annum. The levy rate will decrease each year until it reaches 0.00363 for 2028. As many areas of Slovak tax law have not yet been sufficiently tested in practice, there is uncertainty as to how the tax authorities will apply them. The degree of this uncertainty cannot be quantified and will only disappear once legal precedents or official interpretations of the competent authorities are available. The Group's management is not aware of any facts that could lead to significant costs in the future.

On 3 October 2024, Act No. 279/2024 Coll. on Financial Transaction Tax and on Amendments and Supplements to Certain Acts (the "FTT Act") was approved in the Slovak Republic. The Act is effective from 1 January 2025, with the first tax period being April 2025. A taxable person within the meaning of the FTT Act is a natural person, i.e. an entrepreneur, a legal person or an organisational unit of a foreign person who is a provider of payment services and who has its registered office or place of business in the Czech Republic, has a payment account with a payment service provider with its registered office in the Czech Republic or carries out activities in the Czech Republic.

The subject matter of the tax is a financial transaction in which the amount of funds from the taxable person's payment account is reduced, a payment card is used or a cost is recharged in connection with the performance of a financial transaction relating to the taxable person's activities carried out in the country.

The tax rate is 0.4% for financial transactions up to a maximum of EUR 40, 0.8% for cash withdrawals from an ATM or branch, EUR 2 per year for the use of a payment credit card in a given calendar year and 0.4% for expenses charged. The minimum tax is 1 cent. The tax period is the calendar month, or the calendar year for payment cards. The Group will act both as a taxpayer and a taxable person.

The German branch pays tax in accordance with German tax regulations. The corporate income tax rate in Germany is 15%, plus solidarity surcharge, resulting in an effective rate of 15.83%. In 2025, the corporate income tax rates in Germany will remain unchanged. Revenues and related expenses taxed by the branch in Germany are excluded from taxation in the Czech Republic.

The corporate income tax rate in Croatia for 2024 is 18% (2023: 18%).

Effects of different tax rates applicable to the individual subsidiaries are taken into account when calculating the total income tax and are presented in line "Effect of tax rates in foreign jurisdictions".

The Group expects that, considering the total amount of revenues on a consolidated basis of the J&T FINANCE GROUP SE, of which it is a part, the rules for the Pillar 2 top-up tax will apply to it in the future. Under these rules, the highest parent entity will be considered J&T FINANCE GROUP SE. The Group has decided to apply the temporary exception from the accounting requirements arising from the Amendment to IAS 12 Income Taxes: International Tax Reform – Model Rules of the Second Pillar and does not account for deferred tax receivables and obligations related to corporate taxes under Pillar 2. The Group monitors and analyses the development of legislation in this area, familiarises itself with the relevant measures, the procedure for calculating the effective tax rate including the requirements for input data and reporting obligations, and prepares for the related duties. In 2025, the OECD published a register of countries that have obtained transitional qualified status for the GloBE top-up tax (based on the profit inclusion rule) and for the national top-up tax. The qualified status was obtained by both the Czech Republic and Slovakia. The Group currently does not expect a significant impact of Pillar 2 on the financial statements.

The management believes that it has adequately provided for the tax liabilities in the accompanying financial statements.

Reconciliation of the expected income tax expense is as follows:

in millions of CZK	2024	2023
Profit before tax	**8,024**	**7,038**
Income tax using income tax rate (21%)	1,685	1,337
Reconciliation:		
Effect of tax rates in foreign jurisdictions	-	(1)
Non-taxable income	(205)	(1,010)
Impact of change in tax rate	(7)	(65)
Non-deductible expenses	78	1,384
Bank tax in Slovakia	169	-
Other	(2)	-
Total income tax	***1,718***	***1,645***
Effective tax rate	21.4%	23.4%
of which:		
Income tax expense/(benefit) – deferred	*180*	*(228)*
Income tax expense – current	*1,538*	*1,873*

15. DEFERRED TAX

The following deferred tax assets and liabilities have been recognised:

	Deferred tax asset	
in millions of CZK	31/12/2024	31/12/2023
Difference between the carrying and tax value of property, plant and equipment and intangible assets	39	36
Financial assets at fair value through other comprehensive income	31	39
Investment property	8	5
Lease liability	(49)	(54)
Allowances for loan receivables	136	337
Provision for bonuses and untaken holidays	296	275
Other temporary differences	41	48
Net deferred tax asset	***502***	***686***

Total deferred tax of CZK 502 million (2023: CZK 686 million) comprises a net deferred tax liability of CZK 2 million (2023: CZK 10 million) and a net deferred tax asset of CZK 504 million (2023: CZK 696 million) arising at the level of the Bank and other companies of the Group.

The deferred tax asset or liability is calculated using the 2024 corporate income tax rate, i.e. 21%; 18% for J&T banka d.d., and 24% for the Bank's Slovak branch (2023: 21%, 18% and 21%).

The following table shows the reconciliation between the deferred tax charge and the change in deferred tax assets in 2024 and 2023.

in millions of CZK	31/12/2024	31/12/2023
Net deferred tax asset as at 1 January	686	450
Deferred tax expense/(revenue) in the period (see note 14)	(180)	228
Deferred tax recognised in equity	(5)	(10)
Disposal due to sale of subsidiaries	-	23
Deferred tax from ECL to bonds in FVOCI	-	(17)
Foreign exchange differences	1	12
Net deferred tax asset at the end of the period	***502***	***686***

The Group does not record any deferred tax asset for unused tax loss carryforwards at the end of 2024 or 2023, respectively.

16. CASH AND CASH EQUIVALENTS

in millions of CZK	31/12/2024	31/12/2023
Loans to central banks – reverse repurchase agreements	106,225	131,282
Term deposits with central banks within 3 months	8,230	6,158
Obligatory minimum reserves in central banks	3,669	2,834
Current accounts with banks	274	244
Term deposits with banks to 3 months	-	32
Current accounts with central banks	17	12
Cash in hand	216	209
Total	***118,631***	***140,771***

Obligatory minimum reserves represent the required minimum reserves maintained by J&T BANKA, a.s., J&T BANKA, a.s. pobočka zahraničnej banky, J&T BANKA, a.s., and Zweigniederlassung Deutschland and J&T Banka d.d., according to the rules of the relevant regulatory authorities.

The reserve requirement of J&T BANKA, a.s., is calculated as 2% of primary deposits with a maturity of less than 2 years. Interest-bearing reserve requirements in the Czech Republic were abolished with effect from 5 October 2023 by decision of the Czech National Bank's Bank Board.

Reserve requirements for companies in Slovakia and Germany are calculated as 1% of primary deposits with a maturity of less than 2 years. These obligatory minimum reserves are not interest bearing.

The reserve requirements of J&T banka d.d. are calculated based on the average daily amount of deposits and loans, debt securities issued, subordinated instruments and financial liabilities excluding balances with designated banks. The reserve requirement is 1% of the above. These obligatory minimum reserves are not interest bearing.

The Group must maintain the obligatory minimum reserves in accounts with the respective central banks.

17. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

in millions of CZK	31/12/2024	31/12/2023
Subordinated loans to banks	202	198
Other receivables due from banks	18	3
Expected credit losses (note 23)	(1)	(3)
Total	***219***	***198***

The Group has a prudent liquidity policy and holds a part of its liquidity surplus in highly liquid assets. Highly liquid assets include balances with central banks, short term deposits in financial institutions and highly liquid corporate and government bonds. The Group decides on placements based on the credibility of the counterparty and the offered conditions.

Subordinated loans to banks are provided to related parties. All receivables due from banks and other financial institutions are classified in Stage 1.

There were no overdue receivables from banks as at 31 December 2024 and 31 December 2023.

18. DERIVATIVES

31/12/2024	Notional amount – buy	Notional amount – sell	Positive fair value	Negative fair value
FX derivatives	206,053	(203,767)	2,996	(1,498)
Cross currency derivatives	1,737	(1,737)	71	(70)
Interest rate swaps	58,410	(58,410)	275	(50)
Other derivatives	3	-	3	-
Total	***266,203***	***(263,914)***	***3,345***	***(1,618)***

31/12/2023	Notional amount – buy	Notional amount – sell	Positive fair value	Negative fair value
FX derivatives	145,023	(142,624)	4,422	(2,241)
Cross currency derivatives	1,697	(1,697)	60	(56)
Interest rate swaps	29,078	(29,078)	348	(135)
Other derivatives	3	-	2	-
Total	***175,801***	***(173,399)***	***4,832***	***(2,432)***

All derivatives are classified as Level 2 according to the fair value hierarchy.

FX derivatives, generally forward currency contracts, are commitments to either purchase or to sell a designated currency at a specified date for a specified price. These contracts result in a credit exposure at a specified future date for a specified price. Forward currency contracts also result in exposure to market risk based on changes in quoted market prices relative to the contracted amounts.

As at 31 December 2024, the Group had cash collateral for derivative transactions of CZK 1,781 million (2023: CZK 4,105 million).

Although all these derivatives represent economic hedges, they are reported as held for trading.

The foreign currency structure of these transactions was as follows:

Long position	CZK	EUR	GBP	USD	Other
31/12/2024	41%	44%	2%	10%	3%
31/12/2023	40%	47%	6%	4%	3%
Short position	**CZK**	**EUR**	**GBP**	**USD**	**Other**
31/12/2024	31%	51%	3%	12%	3%
31/12/2023	34%	50%	6%	6%	4%

19. INVESTMENT SECURITIES

(a) Investment securities for trading

Fair value	31/12/2024	31/12/2023
Shares		
– domestic	309	549
– foreign	116	130
Bonds		
– domestic	5,573	4,103
– foreign	1,328	691
Allotment certificates		
– domestic	42	100
– foreign	5	43
Total	***7,373***	***5,616***
Shares		
– listed	425	679
Bonds		
– listed	6,901	4,794
Allotment certificates		
– listed	42	100
– not listed	5	43
Total	***7,373***	***5,616***
Shares		
– financial institutions	187	196
– corporate	238	482
– insurance companies	-	1
Bonds		
– government	5,123	2,995
– financial institutions	1,074	1,024
– corporate	704	775
Allotment certificates		
– financial institutions	47	143
Total	***7,373***	***5,616***
Shares		
– Level 1	424	629
– Level 2	-	49
– Level 3	1	1
Bonds		
– Level 1	5,798	3,551
– Level 2	901	410
– Level 3	202	833
Allotment certificates		
– Level 1	18	100
– Level 2	29	43
Total	***7,373***	***5,616***

Foreign bonds as at 31 December 2024 mainly included non-government bonds of CZK 1,032 million (2023: CZK 660 million) issued by companies from the following states and in the following amounts: Slovakia of CZK 828 million (2023: CZK 456 million) and Malta of CZK 179 million (2023: CZK 192 million).

(b) Investment securities mandatorily at fair value through profit or loss

Fair value	31/12/2024	31/12/2023
Shares		
– foreign	-	798
Allotment certificates		
– domestic	7,383	7,349
– foreign	3,461	1,868
Total	***10,844***	***10,015***
Shares		
– not listed	-	798
Allotment certificates		
– listed	-	577
– not listed	10,844	8,640
Total	***10,844***	***10,015***
Shares		
– financial institutions	-	798
Allotment certificates		
– financial institutions	10,844	9,217
Total	***10,844***	***10,015***
Shares		
– Level 3	-	798
Allotment certificates		
– Level 1	172	577
– Level 2	2,006	1,502
– Level 3	8,666	7,138
Total	***10,844***	***10,015***

Foreign allotment certificates include the Malta certificates of CZK 2,541 million (2023: CZK 1,829 million) and Luxembourg allotment certificates of CZK 920 million (2023: CZK 39 million).

(c) Investment securities at fair value through other comprehensive income

Fair value	31/12/2024	31/12/2023
Shares and other equity instruments		
– domestic	752	701
– foreign	310	250
Bonds		
– domestic	7,385	6,259
– foreign	1,695	4,059
Total	***10,142***	***11,269***
Shares and other equity instruments		
– listed	947	819
– not listed	115	132
Bonds		
– listed	8,736	10,004
– not listed	344	314
Total	***10,142***	***11,269***
Shares and other equity instruments		
– financial institutions	24	22
– corporate	1,038	929
Bonds		
– government	6,299	6,300
– financial institutions	1,391	1,315
– corporate	1,390	2,703
Total	***10,142***	***11,269***
Shares and other equity instruments		
– Level 1	759	648
– Level 2	188	171
– Level 3	115	132
Bonds		
– Level 1	6,397	7,233
– Level 2	1,391	-
– Level 3	1,292	3,085
Total	***10,142***	***11,269***

Foreign shares and other equity instruments in the portfolio as at 31 December 2024 included mainly the shares of Slovak companies of CZK 196 million (2023: CZK 117 million), British companies of CZK 55 million (2023: CZK 54 million), and Swiss companies of CZK 49 million (2023: CZK 62 million).

Foreign bonds in the portfolio as at 31 December 2024 include the bonds of Slovak companies of CZK 877 million (2023: CZK 3,228 million), Maltese companies of CZK 564 million (2023: CZK 524 million), Croatian companies of CZK 219 million (2023: CZK 272 million), and Belgian companies of CZK 35 million (2023: CZK 35 million).

The shares and other equity instruments of the following companies in the following segments accounted for a significant share in the Group's total shares and equity instruments at fair value through OCI:

in millions of CZK	2024 Fair value	2024 Dividends received	2023 Fair value	2023 Dividends received
Defence industry	396	15	336	15
Energy and manufacturing industry	363	16	374	46
Travel and tourism	188	-	29	-
IS/IT	82	-	102	-
Financial services	33	-	109	-
Other	1	1	1	-
Total	***1,063***	***32***	***951***	***61***

In 2024, other equity instruments of CZK 7 million (2023: CZK 2 million) from the portfolio of the Group's financial assets were sold. The cumulative loss on sale amounted to CZK 14 million (2023: gain of CZK 2 million).

The Group classifies bonds measured at FVOCI into internal rating groups, taking into account a number of factors. The following table summarises these bonds by stages.

Risk category	Very low risk	Low risk	Medium risk	Default	**Total**
Stage 1	6,298	827	1,955	-	9,080
Total as at 31/12/2024	***6,298***	***827***	***1,955***	***-***	***9,080***
Stage 1	355	5,945	2,941	-	9,241
Stage 2	-	-	1,077	-	1,077
Total as at 31/12/2023	***355***	***5,945***	***4,018***	***-***	***10,318***

More detailed information on bonds as at 31 December 2024 and 31 December 2023 including expected credit losses and gross carrying amounts are disclosed in note 22 and 23.

(d) Investment securities at amortised cost

in millions of CZK	Gross carrying amount	ECL Stage 1	ECL Stage 2	ECL Stage 3	POCI	Net carrying amount
Bonds						
– domestic/listed/government	13,402	(3)	-	-	-	13,399
– foreign/listed/government	15,773	(18)	-	-	-	15,755
Total as at 31/12/2024	***29,175***	***(21)***	***-***	***-***	***-***	***29,154***
Bonds						
– domestic/listed/government	4,540	-	-	-	-	4,540
Total as at 31/12/2023	***4,540***	***-***	***-***	***-***	***-***	***4,540***

Domestic government bonds with a gross value of CZK 13,402 million (2023: CZK 4,540 million) have maturities ranging from 2025 to 2036. Expected credit losses for these bonds amount to CZK 3 million (2023: CZK 0 million).

Foreign bonds represent Slovak government bonds with a gross value of CZK 10,539 million and Romanian government bonds with a gross value of CZK 5,234 million and maturities between 2028 and 2035.

For the estimated fair value of investment securities at amortised cost see note 42.

The Group classifies bonds at amortised cost into internal rating groups, taking into account a number of factors. The following table summarises these bonds by stages.

Risk category	Very low risk	Low risk	Medium risk	Default	**Total**
Stage 1	23,933	5,221	-	-	29,154
Total as at 31/12/2024	***23,933***	***5,221***	***-***	***-***	***29,154***
Stage 1	-	4,540	-	-	4,540
Total as at 31/12/2023	***-***	***4,540***	***-***	***-***	***4,540***

(e) Investment securities valued at Level 3

The Group regularly monitors the classification of securities into the fair value hierarchy. The Group always assesses the individual ISIN codes of securities according to the frequency and volume of trades. Thus, a situation may arise that securities of one issuer may be classified under Level 1, whereas securities of another issuer may be classified under Level 2 or 3, based on the criteria shown in an internal decision-making tree.

The following table shows a reconciliation of the opening and closing balances for Level 3 investment securities that are recorded at fair value:

in millions of CZK	*01/01/ 2024*	Revaluation to OCI	Revaluation to profit or loss	Transfer from/(to) Level 2	Additions	Disposals	Reclassification	FX movement	Interest income	*31/12/ 2024*
Investment securities for trading										
shares	1		-	-	-	-		-	-	1
bonds	833		1	(504)	152	(260)		(22)	2	202
Investment securities mandatorily measured at fair value through profit or loss										
shares	798	-	-	-	-	-	(811)	13	-	-
allotment certificates	7,138	-	168	(399)	2,967	(2,117)	811	98	-	8,666
Investment securities measured at fair value through other comprehensive income										
shares and other equity instruments	132	(21)	-	-	4	-	-	-	-	115
bonds	3,085	(11)	-	(1,315)	2,395	(2,886)	-	12	12	1,292
Total	***11,987***	***(32)***	***169***	***(2,218)***	***5,518***	***(5,263)***	***-***	***101***	***14***	***10,276***

in millions of CZK	*01/01/ 2023*	Revaluation to OCI	Revaluation to profit or loss	Transfer from/(to) Level 2	Additions	Disposals	FX movement	Interest income	*31/12/ 2023*
Investment securities for trading									
shares	2	-	(1)	-	-	-	-	-	1
bonds	1,300	-	15	(108)	229	(595)	(19)	11	833
Investment securities mandatorily measured at fair value through profit or loss									
shares	65	-	16	-	748	(43)	12	-	798
allotment certificates	5,395	-	418	828	1,930	(1,638)	205	-	7,138
Investment securities measured at fair value through other comprehensive income									
shares and other equity instruments	179	10	-	87	4	(143)	(5)	-	132
bonds	4,316	31	-	-	-	(1,356)	57	37	3,085
Total	***11,257***	***41***	***448***	***807***	***2,911***	***(3,775)***	***250***	***48***	***11,987***

The following table sets out information about significant unobservable inputs used as at 31 December 2024 in measuring investment securities categorised as Level 3 in the fair value hierarchy:

Type of financial assets	Valuation technique	Significant unobservable input	Fair value as at 31/12/2024	Range of estimates	Fair value measurement sensitivity to unobservable inputs
bonds	discounted CF	Credit Spread	1,494	0.6%–2,3%	A significant increase may result in lower fair value
		Risk-free rate		2.17%–4%	
shares	discounted CF/ historical cost	Discount rates	116	8.9%–16,6%	A significant increase may result in lower fair value
		EBITDA growth coefficient		2%–4,1%	A significant increase may result in higher fair value
	based on the IPEV methodology, valued according to the price of the last investment round	Price from external investors in the next investment round		Investment based	A significant increase may result in higher fair value of the instrument and vice versa
allotment certificates	net asset value	n/a	8,666	Investment based	A significant increase may result in higher fair value

The fair value of Level 3 allotment certificates is primarily based on unadjusted NAV values reported by third parties; therefore, significant unobservable inputs are not specifically quantified.

The following table sets out information about significant unobservable inputs used as at 31 December 2023 in measuring investment securities categorised as Level 3 in the fair value hierarchy:

Type of financial assets	Valuation technique	Significant unobservable input	Fair value as at 31/12/2023	Range of estimates	Fair value measurement sensitivity to unobservable inputs
bonds	discounted CF	Credit Spread	3,918	0.7%–1,7%	A significant increase may result in lower fair value
		Risk-free rate		2.4%–6,8%	
shares	discounted CF/ historical cost	Discount rates	931	9.9%–20,2%	A significant increase may result in lower fair value
		EBITDA growth coefficient		2%–4%	A significant increase may result in higher fair value
allotment certificates	net asset value	Expected CF from fund	7,138	Investment based	A significant increase may result in higher fair value

The following table illustrates the impact of the revaluation of the fair value of investment securities classified at Level 3 due to an increase or decrease in the interest rate by 1 and 200 basis points used in the calculation of the fair value of investment securities:

in millions of CZK	+ 1 bps	- 1 bps	+ 200 bps	- 200 bps
Fixed bonds	(0.05)	0.05	(11.80)	9.23
Variable bonds	(0.05)	0.05	(9.65)	9.04
Zero-coupon bonds	-	-	(0.86)	0.92
Total bonds	**(0.10)**	**0.10**	**(22.31)**	**19.19**

The impact of interest rate changes on the calculation of fair values of investment securities as at 31 December 2023 is shown in the following table:

in millions of CZK	+ 1 bps	- 1 bps	+ 200 bps	- 200 bps
Fixed bonds	(0.47)	0.47	(91.08)	95.74
Variable bonds	(0.11)	0.11	(21.66)	21.75
Zero-coupon bonds	(0.13)	0.13	(25.97)	27.09
Total bonds	**(0.71)**	**0.71**	**(138.71)**	**144.58**

The effect of the remeasurement of fair values of the Level 3 investment securities as a result of an increase or decrease of some of the inputs used on the calculation of fair values is shown below:

	Effect on profit or loss		Effect on other comprehensive income	
in millions of CZK	Increase	Decrease*	Increase	Decrease*
Bonds 2024				
change in risk-free rates by 1 pp	-	-	-	-
change in risk-free rates by 200 pp	(6)	3	(16)	16
change in credit markups by 100 pp	(2)		(44)	
Shares 2024				
change in discount rates by 1%	(1)	2	-	-
change in EBITDA by 5%	1	(1)	-	-
change in the price by external investors in the next investment round by 5%	-	-	6	(6)
Bonds 2023				
change in risk-free rates by 1 pp	-	-	(1)	1
change in risk-free rates by 200 pp	(30)	32	(108)	113
change in credit markups by 100 pp	(26)		(96)	
Shares 2023				
change in discount rates by 1%	(1)	2	-	-
change in EBITDA by 5%	1	(1)	-	-

** the impact of a 100 basis point decrease in credit markups is not monitored by the Group*

20. REPURCHASE AND RESALE AGREEMENTS

(a) Resale agreements (reverse repurchase agreements)

The Group purchases financial assets under agreements to resell them at future dates ("reverse repurchase agreements"). The seller commits to repurchase the same or similar instruments at an agreed future date. Ownership title to the securities serving as collateral is transferred from the entity to which a loan is provided. Reverse repurchases are entered into as a facility to provide funds to customers. As at 31 December 2024 and 31 December 2023 assets purchased pursuant to the agreements to resell them were as follows:

in millions of CZK	Fair value of assets held as collateral	Carrying amount of receivable	Repurchase date	Repurchas e price
Loans to central banks (note 16)	104,020	106,225	up to 1 month	106,338
Loans and other advances to customers (note 21)	4,231	943	up to 1 month	947
Loans and other advances to customers (note 21)	1,340	883	up to 3 months	698
Total as at 31 December 2024	***109,591***	***108,051***		***107,983***

in millions of CZK	Fair value of assets held as collateral	Carrying amount of receivable	Repurchase date	Repurchas e price
Loans to central banks (note 16)	125,704	131,282	up to 1 month	131,419
Loans and other advances to customers (note 21)	5,184	2,746	up to 1 month	2,757
Total as at 31 December 2023	***130,888***	***134,028***		***134,176***

(b) Repurchase agreements (repo operations)

Transactions where securities are sold under a repurchase agreement ("repurchase transaction") at a predetermined price are accounted for as loans collateralised by the securities. Ownership title to securities serving as collateral is transferred to the entity which is a loan provider. Securities transferred under repurchase agreements are reported within the respective items of securities in the Group's statement of financial position. The amount received from the transfer of securities under repurchase agreements is presented under "Deposits and loans from banks" or "Deposits from customers".

in millions of CZK	Fair value of assets provided as collateral	Carrying amount of liability	Repurchase date	Repurchase price
Loans from banks (note 30)	378	365	up to 1 month	365
Loans from banks (note 30)	4,346	3,845	up to 3 months	3,850
Total as at 31 December 2024	***4,724***	***4,210***		***4,215***
Loans from banks (note 30)	4,338	3,733	up to 3 years	3,780
Total as at 31 December 2023	***4,338***	***3,733***		***3,780***

Securities provided as collateral are bonds classified as investment securities at amortised cost, note 19d.

21. LOANS AND OTHER ADVANCES TO CUSTOMERS AT AMORTISED COST

31/12/2024	Stage 1	Stage 2	Stage 3	POCI	Gross carrying amount
Loans and advances to customers and overdraft	84,201	10,230	3,156	250	**97,837**
Receivables from reverse repurchase agreements with customers	1,826	-	-	-	**1,826**
Margin lending (debits)	13,002	-	-	-	**13,002**
Receivables from provided finance leases	-	-	174	-	**174**
Other receivables	637	472	17	-	**1,126**
Gross carrying amount	***99,666***	***10,702***	***3,347***	***250***	***113,965***
ECL	***(853)***	***(388)***	***(2,182)***	***33***	***(3,390)***
Net carrying amount	***98,813***	***10,314***	***1,165***	***283***	***110,575***

31/12/2023	Stage 1	Stage 2	Stage 3	POCI	Gross carrying amount
Loans and advances to customers and overdraft	77,146	7,152	3,995	352	**88,645**
Receivables from reverse repurchase agreements with customers	2,746	-	-	-	**2,746**
Margin lending (debits)	12,121	-	16	-	**12,137**
Receivables from provided finance leases	172	1	215	-	**388**
Other receivables	1,140	10	55	2	**1,207**
Gross carrying amount	***93,325***	***7,163***	***4,281***	***354***	***105,123***
ECL	***(837)***	***(304)***	***(2,546)***	***20***	***(3,667)***
Net carrying amount	***92,488***	***6,859***	***1,735***	***374***	***101,456***

Details of changes in gross carrying amounts of loans as well as movements in ECLs for 2024 and 2023 are disclosed in notes 22 and 23.

For further information about loans and other advances to customers refer to note 44.

22. GROSS CARRYING AMOUNT OF FINANCIAL ASSETS

(a) Gross carrying amount of loans

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2024	***93,325***	***7,163***	***4,281***	***354***	***105,123***
Transfers:					
– transfers to Stage 2	(8,881)	8,881	-	-	**-**
– transfers to Stage 3	(194)	(752)	946	-	**-**
Partial repayment of the principal / drawing of loan during the reporting period (-/+)	(1,794)	(455)	372	(11)	**(1,888)**
Movement in interest – accrued less paid (except for full repayment)	342	(5)	12	-	**349**
Increase due to origination and acquisition – gross	41,773	-	-	-	**41,773**
Financial assets derecognised during the period	(25,834)	(4,151)	(2,041)	(91)	**(32,117)**
Write-off and sale of receivables	(2)	-	(160)	(2)	**(164)**
Changes due to modification without derecognition (net)	62	19	-	(6)	**75**
Disposal of subsidiaries	(261)	(119)	(91)	-	**(471)**
Foreign exchange rate movements	1,130	121	28	6	**1,285**
Total as at 31 December 2024	***99,666***	***10,702***	***3,347***	***250***	***113,965***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2023	***94,219***	***9,709***	***6,613***	***407***	***110,948***
Transfers:					
– transfers to Stage 1	1,836	(1,836)	-	-	**-**
– transfers to Stage 2	(3,804)	3,901	(97)	-	**-**
– transfers to Stage 3	(3,705)	(271)	3,976	-	**-**
Partial repayment of the principal / drawing of loan during the reporting period (-/+)	3,052	(815)	(1,391)	(11)	**835**
Movement in interest – accrued less paid (except for full repayment)	1,246	39	2	9	**1,296**
Increase due to origination and acquisition – gross	31,505	-	-	57	**31,562**
Financial assets derecognised during the period	(31,832)	(3,705)	(1,599)	(103)	**(37,239)**
Write-off and sale of receivables	(29)	-	(1,798)	(8)	**(1,835)**
Changes due to modification without derecognition (net)	67	5	237	(6)	**303**
Disposal groups held for sale	(449)	(8)	(1,374)	-	**(1,831)**
Foreign exchange rate movements	1,219	144	(288)	9	**1,084**
Total as at 31 December 2023	***93,325***	***7,163***	***4,281***	***354***	***105,123***

(b) Gross carrying amount of investment securities at FVOCI

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***9,241***	***1,077***	**-**	**-**	***10,318***
Transfers:					
– transfers to Stage 2	(1,083)	1,083	-	-	**-**
Fair value adjustment to OCI	(71)	(9)	-	-	**(80)**
Partial repayment of the principal / drawing of loan during the reporting period (-/+)	(67)	-	-	-	**(67)**
Movement in interest – accrued less paid (except for full repayment)	(13)	7	-	-	**(6)**
Increase due to origination and acquisition – gross	2,669	-	-	-	**2,669**
Financial assets derecognised during the period	(1,670)	(2,182)	-	-	**(3,852)**
Foreign exchange rate movements	74	24	-	-	**98**
Total as at 31 December 2024	***9,080***	**-**	**-**	**-**	***9,080***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***1,920***	***2,384***	***1,344***	-	***5,648***
Transfers:					
– transfers to Stage 1	1,306	(1,306)	-	-	**-**
Fair value adjustment to OCI	(24)	(16)	(369)	-	**(409)**
Partial repayment of the principal / drawing of loan during the reporting period (-/+)	-	-	267	-	**267**
Movement in interest – accrued less paid (except for full repayment)	90	(1)	34	-	**123**
Increase due to origination and acquisition – gross	5,918	-	-	-	**5,918**
Financial assets derecognised during the period	(31)	(12)	-	-	**(43)**
Disposal of subsidiaries	-	-	(1,276)	-	**(1,276)**
Foreign exchange rate movements	62	28	-	-	**90**
Total as at 31 December 2023	***9,241***	***1,077***	**-**	-	***10,318***

(c) Gross carrying amount of investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***4,540***	**-**	**-**	**-**	***4,540***
Movement in interest – accrued less paid (except for full repayment)	118	**-**	-	-	**118**
Increase due to origination and acquisition – gross	24,505	-	-	-	**24,505**
Foreign exchange rate movements	13	-	-	-	**13**
Total as at 31 December 2024	***29,176***	**-**	**-**	**-**	***29,176***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***4,532***	**-**	***282***	**-**	***4,814***
Partial repayment of the principal / drawing of loan during the reporting period (-/+)	-	**-**	(4)	-	**(4)**
Movement in interest – accrued less paid (except for full repayment)	8	**-**	-	-	**8**
Financial assets derecognised during the period	-	**-**	(204)	-	**(204)**
Disposal groups held for sale	-	-	(32)	-	**(32)**
Foreign exchange rate movements	-	-	(42)	-	**(42)**
Total as at 31 December 2023	***4,540***	**-**	**-**	**-**	***4,540***

23. EXPECTED CREDIT LOSSES

(a) Cash, cash equivalents and due from banks and other financial institutions

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***3***	-	-	-	***3***
Net change in credit risk	(2)	-	-	-	**(2)**
Total as at 31 December 2024	***1***	**-**	**-**	**-**	***1***

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***3***	**-**	**-**	**-**	***3***
Total as at 31 December 2023	***3***	**-**	**-**	**-**	***3***

(b) Loans and other advances to customers at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***837***	***304***	***2,546***	***(20)***	***3,667***
Transfers:					
– transfers to Stage 1	7	(7)	-	-	**-**
– transfers to Stage 2	(83)	83	-	-	**-**
– transfers to Stage 3	(9)	(25)	34	-	**-**
Net change in credit risk	(132)	239	343	(25)	**425**
Changes due to modification without derecognition	62	19	-	(6)	**75**
New financial assets originated or purchased	276	-	-	-	**276**
Unwind of discount	-	-	(5)	(1)	**(6)**
Financial assets derecognised during the period	(115)	(191)	(536)	(8)	**(850)**
Use of allowances	(2)	-	(160)	28	**(134)**
Disposal of subsidiaries	(2)	(45)	(78)	-	**(125)**
Foreign exchange rate movements	14	11	38	(1)	**62**
Total as at 31 December 2024	***853***	***388***	***2,182***	***(33)***	***3,390***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***981***	***424***	***3,412***	***(18)***	***4,799***
Transfers:					
– transfers to Stage 1	67	(67)	-	-	**-**
– transfers to Stage 2	(159)	170	(11)	-	**-**
– transfers to Stage 3	(5)	(20)	25	-	**-**
Net change in credit risk	(217)	(167)	1,983	12	**1,611**
Changes due to modification without derecognition	67	5	237	(6)	**303**
New financial assets originated or purchased	194	-	-	1	**195**
Unwind of discount	-	-	(11)	-	**(11)**
Financial assets derecognised during the period	(84)	(38)	(368)	(86)	**(576)**
Use of allowances	-	-	(1,798)	78	**(1,720)**
Disposal groups held for sale	(10)	(1)	(734)	-	**(745)**
Foreign exchange rate movements	3	(2)	(189)	(1)	**(189)**
Total as at 31 December 2023	***837***	***304***	***2,546***	***(20)***	***3,667***

Use of allowances for the year ended 31 December 2024 amounted to CZK 134 million (2023: CZK 1,720 million), mainly comprising the use of an allowance to cover the loss from sold receivables of CZK 162 million (2023: CZK 1,750 million) and the reversal of allowances recorded at the date of initial recognition of POCI due to the improvement in the financial situation of the Bank's clients of CZK 28 million (2023: deterioration of CZK 87 million).

(c) Investment securities at fair value through other comprehensive income

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***56***	***25***	***-***	***-***	***81***
Net change in credit risk	6	10	-	-	**16**
New financial assets originated or purchased	30	-	-	-	**30**
Financial assets derecognised during the period	(8)	(35)	-	-	**(43)**
Total as at 31 December 2024	***84***	***-***	***-***	***-***	***84***

The balance of CZK 84 million is already net of the deferred tax effect of CZK 18 million (see note 15).

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***35***	***112***	***631***	***-***	***778***
Transfers:					
– transfers to Stage 1	9	(9)	-	-	**-**
Net change in credit risk	19	(72)	320	-	**267**
New financial assets originated or purchased	2	-	-	-	**2**
Disposal of subsidiaries	-	-	(951)	-	**(951)**
Foreign exchange rate movements	(9)	(6)	-	-	**(15)**
Total as at 31 December 2023	***56***	***25***	***-***	***-***	***81***

The balance of CZK 81 million is already net of the deferred tax effect of CZK 17 million (see note 15).

(d) Investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***-***	***-***	***-***	***-***	***-***
Net change in credit risk	4	-	-	-	**4**
New financial assets originated or purchased	17	-	-	-	**17**
Total as at 31 December 2024	***21***	***-***	***-***	***-***	***21***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***2***	***-***	***11***	***-***	***13***
Net change in credit risk	(2)	-	(9)	-	**(11)**
Foreign exchange rate movements	-	-	(2)	-	**(2)**
Total as at 31 December 2023	***-***	***-***	***-***	***-***	***-***

(e) Financial commitments and guarantees

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***70***	***8***	***140***	***3***	***221***
Transfers					
– transfers to Stage 2	(25)	25	-	-	**-**
– transfers to Stage 3	(6)	-	6	-	**-**
Net change in credit risk	(78)	9	(25)	(3)	**(97)**
New financial assets originated or purchased	74	-	-	16	**90**
Financial assets derecognised during the period	(2)	(4)	(50)	(1)	**(57)**
Foreign exchange rate movements	1	-	4	-	**5**
Total as at 31 December 2024	***34***	***38***	***75***	***15***	***162***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***59***	***7***	***92***	***-***	***158***
Transfers					
– transfers to Stage 2	(14)	14	-	-	**-**
– transfers to Stage 3	(2)	(1)	3	-	**-**
Net change in credit risk	(29)	(9)	55	3	**20**
New financial assets originated or purchased	61	-	-	-	**61**
Financial assets derecognised during the period	(6)	(3)	(12)	-	**(21)**
Foreign exchange rate movements	1	-	2	-	**3**
Total as at 31 December 2023	***70***	***8***	***140***	***3***	***221***

(f) Other assets

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***-***	***2***	***6***	***-***	***8***
Transfers:					
– transfers to Stage 3	-	(19)	19	-	**-**
Net change in credit risk	-	-	(2)	-	**(2)**
New financial assets originated or purchased	-	20	-	-	**20**
Total as at 31 December 2024	***-***	***3***	***23***	***-***	***26***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***-***	***6***	***245***	***-***	***251***
Transfers:					
– transfers to Stage 3	(76)	-	76	-	**-**
Net change in credit risk	-	18	(87)	-	**(69)**
New financial assets originated or purchased	76				**76**
Financial assets derecognised during the period	-	-	(3)	-	**(3)**
Disposal groups held for sale	-	(20)	(181)	-	**(201)**
Foreign exchange rate movements	-	(2)	(44)	-	**(46)**
Total as at 31 December 2023	-	***2***	***6***	***-***	***8***

24. INVESTMENT PROPERTY

Investment property as at 31 December 2024 primarily include a building of Rustonka Development II s.r.o. totalling CZK 524 million (2023: Rustonka Development II s.r.o.; CZK 600 million). In 2024 and 2023, the Group adjusted the share of investment property in Rustonka Development II s.r.o. due to changes in leased premises outside the Group.

The following overview shows information about significant unobservable inputs used to measure assets classified at Stage 3:

Type of asset	Valuation technique	Significant unobservable input	Fair value as at 31/12/2024	Estimated price	Fair value measurement sensitivity to unobservable inputs
Investment property	Sales comparison approach	Price per sq. m	525	CZK/m2 120,694	A significant movement may increase/decrease the FV of an instrument

Type of asset	Valuation technique	Significant unobservable input	Fair value as at 31/12/2023	Estimated price	Fair value measurement sensitivity to unobservable inputs
Investment property	Sales comparison approach	Price per sq. m	601	CZK/m2 117,753	A significant movement may increase/decrease the FV of an instrument

in millions of CZK	2024	2023
Total as at 1 January	***601***	***829***
Transfer from/(to) property to/(from) investment property	(70)	146
Additions	1	1
Disposals	-	(22)
Disposal of subsidiaries	-	(192)
Revaluation (note 13)	(18)	(119)
Effects of movements in foreign exchange	11	(42)
Total as at 31 December	***525***	***601***

Investment property was fully insured as at 31 December 2024 and 31 December 2023, respectively.

Rental income from investment property of CZK 19 million (2023: CZK 27 million) was reported in Other operating income. Operating expenses directly attributable to investment property of CZK 18 million (2023: CZK 121 million) were reported in Other operating expenses.

25. PROPERTY, PLANT AND EQUIPMENT

in millions of CZK	Land and buildings	Fixtures, fittings and equipment	Right-of-use assets: Land and buildings	Right-of-use assets: Equipment – cars	**Total**
Acquisition cost					
1 January 2023	***2,226***	***973***	***319***	***17***	***3,535***
Additions	2	50	29	8	89
Disposals	(24)	(26)	(9)	(4)	(63)
Transfer to investment property	(146)	-	-	-	(146)
Change due to modification of IFRS 16	-	-	112	1	113
Revaluation to OCI	38	-	-	-	38
Disposal due to sale of subsidiaries	(302)	(727)	(26)	-	(1,055)
Effects of movements in foreign exchange	22	(2)	3	-	23
31 December 2023	***1,816***	***268***	***428***	***22***	***2,534***
Accumulated depreciation					
1 January 2023	***144***	***162***	***147***	***10***	***463***
Additions	59	108	44	7	218
Disposals	(10)	(5)	(9)	(4)	(28)
Disposal due to sale of subsidiaries	(62)	(144)	(6)	-	(212)
Effects of movements in foreign exchange	(3)	3	2	-	2
31 December 2023	***128***	***124***	***178***	***13***	***443***
Acquisition cost					
1 January 2024	***1,816***	***268***	***428***	***22***	***2,534***
Additions	2	13	3	1	19
Disposals	-	(23)	-	(10)	(33)
Transfer to investment property	73	-	-	-	73
Change due to modification of IFRS 16	-	-	14	10	24
Revaluation surplus	(19)	-	-	-	(19)
Effects of movements in foreign exchange	34	4	6	-	44
31 December 2024	***1,906***	***262***	***451***	***23***	***2,642***
Accumulated depreciation					
1 January 2024	***128***	***124***	***178***	***13***	***443***
Additions	36	33	50	8	127
Disposals	-	(6)	-	(10)	(16)
Revaluation surplus	3	-	-	-	3
Effects of movements in foreign exchange	3	2	2	-	7
Use	-	(2)	-	-	(2)
31 December 2024	***170***	***151***	***230***	***11***	***562***
Net book value					
31 December 2023	***1,688***	***144***	***250***	***9***	***2,091***
31 December 2024	***1,736***	***111***	***221***	***12***	***2,080***

Property is insured against theft and natural disaster.

26. INTANGIBLE ASSETS AND GOODWILL

in millions of CZK	Software	Other intangible assets	Goodwill	**Total**
Acquisition cost				
1 January 2023	***880***	***154***	***491***	***1,525***
Additions	103	5	-	108
Disposals due to sale of enterprises	(12)	(1)	-	(13)
Disposals	(764)	(9)	-	(773)
Write-off	-	-	(161)	(161)
Effects of movements in foreign exchange	1	-	(39)	(38)
31 December 2023	***208***	***149***	***291***	***648***
Amortisation and impairment losses				
1 January 2023	***658***	***138***	***360***	***1,156***
Additions	62	6	3	71
Disposal due to sale of subsidiaries	(12)	(1)	-	(13)
Disposals	(614)	-	-	(614)
Write-off	-	-	(157)	(157)
Effects of movements in foreign exchange	(1)	1	(38)	(38)
31 December 2023	***93***	***144***	***168***	***405***
Acquisition cost				
1 January 2024	***208***	***149***	***291***	***648***
Additions	16	2	-	18
Disposal due to sale of subsidiaries	(4)	-	(3)	(7)
Disposals	(90)	-	-	(90)
Write-off	-	-	-	-
Effects of movements in foreign exchange	2	2	-	4
31 December 2024	***132***	***153***	***288***	***573***
Amortisation and impairment losses				
1 January 2024	***93***	***144***	***168***	***405***
Additions	14	3	-	17
Disposal due to sale of subsidiaries	(4)	-	-	(4)
Disposals	(3)	-	-	(3)
Write-off		-	(3)	(3)
Effects of movements in foreign exchange	1	-	-	1
31 December 2024	***101***	***147***	***165***	***413***
Carrying amount				
31 December 2023	***115***	***5***	***123***	***243***
31 December 2024	***31***	***6***	***123***	***160***

On 30 September 2023, the Group disposed its whole IT Dept. and services to a subsidiary of J&T FINANCE GROUP SE. The sales price of the transaction was determined based on an expert opinion. The impact of the transaction is presented in Other operating income, note 11.

27. LEASES

(a) Leases entered into as lessee

The Group accounts for leases pursuant to IFRS 16.

(b) Leases entered into as lessor

Operating lease: The Group mainly reports liabilities from leases associated with the Rustonka building, owned by Rustonka Development II s.r.o., a member of the Group since December 2020. Rustonka Development II s.r.o. has a lease agreement with its sister company outside the Group that has also entered into a sublease agreement with similar parameters with other companies in the Group. The Group's management believes it is legally permissible for companies included in the consolidation group to offset lease-related receivables and payables as well as related lease income and expenses even though the leases are conducted through a sister company outside the Group. Therefore, at the end of 2024 and 2023, the Group performed an offset within prepaid expenses and deferred revenues in the balance sheet used by individual companies to report expenses / revenues incurred for specific building modifications in accordance with the requirements of the Group's parent company, which were paid at the beginning of the tenancy relationship.

Expected receivables from operating lease payments (excluding the rent in the Rustonka building for the above reasons) were zero at the end of both 2024 and 2023.

The Group provides to its client's finance leases for various assets (e.g. cars, machinery, equipment, etc.). The expected lease payments are shown in the following table.

in millions of CZK	**31/12/2024**
Gross amount of a finance lease receivable	
Up to one year	174
Total	***174***
Unrealised revenue	-
Present value of future lease payments	**174**
Expected credit losses	(174)

in millions of CZK	**31/12/2023**
Gross amount of a finance lease receivable	
Up to one year	323
1 year to 2 years	55
2 years to 3 years	22
3 years to 4 years	5
Total	***405***
Unrealised revenue	(17)
Present value of future lease payments	**388**
Expected credit losses	(214)

28. OTHER ASSETS

in millions of CZK	31/12/2024	31/12/2023
Receivables from customers from securities trading	20,936	7,825
Advance payments – other	1,232	1,014
Prepayments and accrued income	816	748
Other trade receivables	708	598
Gold	45	-
Other receivables	23	64
Restricted cash	24	27
Other tax receivables	1	1
Allowances for impairment of other assets	(26)	(9)
Total	***23,759***	***10,268***

Changes in allowances for other assets are disclosed in note 23.

29. DISPOSAL GROUPS HELD FOR SALE

in millions of CZK	31/12/2024	31/12/2023
J&T Ostravice Active Life UPF	26	25
Lease and loan receivables, other assets	-	442
Total	***26***	***467***

All lease receivables in J&T Leasingová společnost, s.r.o. held for sale were sold during 2024.

The subsidiary J& T Ostravice Active life UPF launched the next planned phase of the project, i.e. construction. In May 2024, the sale of the land commenced, its completion has been postponed to the first half of 2025.

30. DEPOSITS AND LOANS FROM BANKS

in millions of CZK	31/12/2024	31/12/2023
Loans from banks – repurchase agreements (note 20)	4,210	3,733
Deposits from banks	3,501	5,458
Total	***7,711***	***9,191***

Deposits from banks include current deposits, term deposits and other financial liabilities.

31. DEPOSITS FROM CUSTOMERS

in millions of CZK	31/12/2024	31/12/2023
Term deposits and escrow accounts	189,903	174,117
Current accounts	37,807	43,697
Other liabilities	20	23
Total	***227,730***	***217,837***

32. ISSUED INVESTMENT SECURITIES

in millions of CZK	31/12/2024	31/12/2023
Investment securities issued at amortised cost	3,340	3,287
Investment securities issued at FVTPL	13	-
Total	***3,353***	***3,287***

On 26 October 2023, the Group issued 120,000 bonds with a nominal value of EUR 1,000 each. These unsecured non-convertible financial instruments were issued in EUR, effective interest rate is 7.5%, interest is paid annually. The bonds mature in 2026.

Details of the estimated fair value of issued investment securities are described in note 42.

33. SUBORDINATED DEBT

in millions of CZK	31/12/2024	31/12/2023
Subordinated term deposits	2,107	1,256
Subordinated bonds issued	2,512	-
Total	***4,619***	***1,256***

in millions of CZK	2024	2023
Interest expense for subordinated debt:	155	58
– of which interest paid	*143*	*51*

On 4 December 2024, the Group issued 10-year subordinated bonds with the designation J&T BANKA VAR/34 (ISIN: CZ0003709339) in the amount of CZK 2,500 million with a nominal value of CZK 10,000. For the first 5 years, the bonds bear a fixed interest rate of 6.25% p.a. paid annually; for the following 5 years, the yield will be variable at 6M PRIBOR +2.75% paid semi-annually. The bonds are traded on the Prague Stock Exchange.

The subordinated debt – term deposits from customers with a maturity up to 2028 bear an interest rate of 7.50% p.a. for contracts opened before 31 December 2023. For contracts concluded from 1 January 2024, the maturity is up to 2029 and they bear an interest rate from 4.25% p.a. to 7.5% p.a.

34. OTHER LIABILITIES

in millions of CZK	31/12/2024	31/12/2023
Payables to clients from securities trading	27,136	12,649
Estimated payables, accruals and deferred income	1,448	1,045
Trade payables	66	120
Payables to employees	76	64
Social security liabilities	34	29
Lease liabilities	238	260
Other tax liabilities	310	128
Financial liabilities at fair value through profit or loss	-	38
Other liabilities	320	927
Total	***29,628***	***15,260***

Accruals and deferred income primarily consist of payables for outsourcing IT services of CZK 863 million (2023: CZK 660 million).

35. PROVISIONS

in millions of CZK	31/12/2024	31/12/2023
Provision for employee bonuses	1,501	1,391
Provision for off-balance sheet items (loan commitments, guarantees)	162	221
Stage 1	*34*	*71*
Stage 2	*37*	*6*
Stage 3	*75*	*141*
POCI	*16*	*3*
Provision for loyalty programmes – customers	-	27
Provision for loyalty programmes – employees	-	5
Other provisions	265	8
Total	***1,928***	***1,652***

A provision for employee bonuses is established in relation to the approval of Group employees' annual bonuses. The annual bonus is defined as variable benefit component of employee remuneration which the company may grant and pay to an employee in proportion to his/her job performance in the evaluated period, most commonly a year. It also comprises bonuses with deferred due payment.

In 2024, the Group created a long-term provision of CZK 252 million due to a possible obligation arising from a potential dispute related to the Group's credit exposure; the provision is recorded under other provisions. Other provisions of CZK 6 million (2023: CZK 8 million) are short-term and expected to be utilised within 12 months after the reporting date.

in millions of CZK	Balance as at 01/01/2024	Additions/ Creation	Use	Foreign exchange differences	Balance as at 31/12/2024
Employee bonuses	1,391	1,249	(1,142)	3	1,501
Off-balance sheet items	221	90	(57)	(92)	162
Loyalty programmes – customers	27	-	(27)	-	-
Loyalty programmes – employees	5	5	(10)	-	-
Other provisions	8	259	(2)	-	265
Total	***1,652***	***1,603***	***(1,238)***	***(89)***	***1,928***

in millions of CZK	Balance as at 01/01/2023	Additions/ Creation	Use	Foreign exchange differences	Balance as at 31/12/2023
Employee bonuses	1,312	859	(768)	(12)	1,391
Off-balance sheet items	158	61	(21)	23	221
Loyalty programmes – customers	28	-	-	(1)	27
Loyalty programmes – employees	8	6	(7)	(2)	5
Other provisions	2	6	(1)	1	8
Total	***1,508***	***932***	***(797)***	***9***	***1,652***

36. EQUITY

(a) Share capital

The share capital has been fully paid up and consists of:	31/12/2024	31/12/2023
10,637,126 ordinary shares with a nominal value of CZK 1,000 per share	10,637	10,637
700,000 ordinary shares with a nominal value of CZK 1.43 per share	1	1
Total	***10,638***	***10,638***

All the Bank's shares are book-entry registered shares and are freely transferable. 1,000 votes are associated with shares with a nominal value of CZK 1,000, 1.43 votes are associated with shares with a nominal value of CZK 1.43.

The rights and obligations of shareholders are regulated in Act No. 90/2012 Coll., the Business Corporations Act and Bank's Articles of Association. Each of the Bank's shareholders has a pre-emptive right to subscribe 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. The shareholder has a pre-emptive right to subscribe for those shares that have not been subscribed for by another shareholder in accordance with the Business Corporations Act.

As the Bank has only a sole shareholder, the General Meeting shall not be held and the shareholder shall act in the capacity of the General Meeting. In this case, the rights and obligations of the sole shareholder are identical to those of the General Meeting, whose powers are regulated in the company's valid Articles of Association and Act No. 90/2012 Coll., the Business Corporations Act.

(b) Retained earnings and other reserves

Retained earnings

Retained earnings are distributable to the Bank's shareholders and are subject to the approval of the shareholders' general meeting. As at 31 December 2024, retained earnings amounted to CZK 19,882 million (2023: CZK 18,564 million). For details related to retained earnings, refer to the Consolidated statement of changes in equity.

Dividends

The Group has not approved any specific dividend policy. The distribution of dividends, if any, is subject, for each accounting period, to assessment in terms of the possibilities and needs of the Group, as well as in terms of the Group's long-term business objectives. When assessing the payment of dividends, the goals to ensure a sufficient level of capital adequacy and further regulatory requirements, as well as the interests of the owners of shares, are all taken into account.

The owners of ordinary shares are entitled to the payment of approved dividends.

At the Annual General Meeting held on 23 April 2024, the sole shareholder approved the payment of dividends on ordinary shares as follows: dividend per share with a nominal value of CZK 1,000 in the amount of CZK 263.2042, and per share with a nominal value of CZK 1.43 in the amount of CZK 0.3764. Dividends were paid out in the total amount of CZK 2,800 million (2023: CZK 1,000 million), i.e. CZK 94.0015 per ordinary share of nominal value CZK 1 thousand and in the amount of CZK 0.1344 per ordinary share of nominal value CZK 1.43.

On 18 December 2024, the sole shareholder approved the distribution of retained earnings in the amount of CZK 141.0023 per share with a nominal value of CZK 1,000, and CZK 0.2016 per share with a nominal value of CZK 1.43, totaling CZK 1,500 million.

The allocation of the profit for 2024 will be approved at the General Meeting, and based on the proposal of the Group's Board of Directors. The Group's management assumes that a relevant part of profit will be transferred to the special-purpose capital fund for the distribution of revenue from certificates that are part of the Group's equity and the remaining part will be used based on a decision and approval by the General Meeting.

The Group does not provide any employee incentive scheme involving the option to buy own shares, or remuneration in the form of equity options.

Capital funds

Capital funds consist of other capital funds created from profit or obtained through additional contributions to other capital funds from the Bank's sole shareholder.

As at 31 December 2024, capital funds amounted to CZK 2,913 million (2023: CZK 2,910 million).

Perpetuity fund

On 30 June 2014, the Group's Board of Directors approved the establishment of a special-purpose capital fund for the payment of revenue from certificates of CZK 100 million. This fund was created from retained earnings. In 2024, the Bank transferred another CZK 670 million (2023: CZK 772 million) within the distribution of profit for 2023. The payment of revenue from certificates depends on a decision of the Group as the issuer and is governed by the conditions defined in the prospectus. In 2024, revenue of CZK 644 million (2023: CZK 632 million) was distributed from this fund. As at 31 December 2024, the special-purpose capital fund for the payment of revenue from certificates amounted to CZK 347 million (2023: CZK 321 million).

For details related to the subordinated unsecured income certificates, refer to Other equity instruments.

Translation and revaluation reserve – financial assets at fair value through other comprehensive income

Translation and revaluation reserve comprises items arisen from the following:

- changes in the fair value of financial assets measured at FVOCI;
- all foreign exchange differences arising from the translation of the financial statements of foreign operations.

The sum of translation and revaluation reserve was negative as at 31 December 2024, amounting to CZK 268 million (2023: negative CZK 353 million).

(c) Other equity instruments

As at 31 December 2024, the volume of issued certificates was CZK 7,293 million (2023: CZK 8,868 million).

The Group issued the following subordinated unsecured income certificates without maturity dates (the "Certificates"):

Certificates as at 31/12/2024

Name of certificate	ISIN	Issue date	Currency	Interest rate	Nominal value	Subscribed issue volume
J&T BK II 9% PERP	CZ0003704413	21/09/2015	CZK	9.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK 6.50% PERP	CZ0003706517	23/08/2021	CZK	6.50% p.a.	CZK 100,000	CZK 1,300 million
J&T BK 7.00% PERP	CZ0003707275	29/06/2022	EUR	7.00% p.a.	EUR 1,000	EUR 200 million

On 19 April 2024, the CNB granted the Group, pursuant to Article 78 of the EU Regulation on prudential requirements for credit institutions (the "Regulation"), consent to the redemption of capital instruments with ISIN: CZ0003704249, in the total amount of CZK 1,000 million, as well as with ISIN: CZ0003704421, in the total amount of EUR 21 million. The consent was given following the Group's request under Article 77(1) of the Regulation to redeem selected equity instruments included in the Tier 1 capital. The certificates with ISIN: CZ0003704421 were redeemed on 22 June 2024 in the amount of CZK 575 million denominated in EUR in the volume of EUR 21 million. The certificates with ISIN: CZ0003704249 were redeemed on 15 July 2024 in the amount of CZK 1,000 million.

Certificates as at 31/12/2023

Name of certificate	ISIN	Issue date	Currency	Interest rate	Nominal value	Subscribed issue volume
J&T BANKA 10% PERP	CZ0003704249	30/06/2014	CZK	10.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK II 9% PERP	CZ0003704413	21/09/2015	CZK	9.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK III 9% PERP	CZ0003704421	14/12/2015	EUR	9.00% p.a.	EUR 5,000	EUR 21 million
J&T BK 6.50% PERP	CZ0003706517	23/08/2021	CZK	6.50% p.a.	CZK 100,000	CZK 1,300 million
J&T BK 7.00% PERP	CZ0003707275	29/06/2022	EUR	7.00% p.a.	EUR 1,000	EUR 200 million

37. NON-CONTROLLING INTEREST

	2024	2023
J&T INVESTIČNÍ SPOLEČNOST, a.s.	172	-
AMISTA investiční společnost, a.s.	6	9
Total	***178***	***9***

On 31 December 2024, the Group acquired control of a 24.95% interest in the J&T NextGen otevřený podílový fond. The non-controlling interest of 75.05% is based on the net identifiable assets of the fund totaling CZK 229 million as at 31 December 2024.

Other non-controlling interests were immaterial as at 31 December 2024 and 31 December 2023, respectively.

38. ANALYSIS OF CHANGES IN LIABILITIES FROM FINANCIAL CASH FLOWS

in millions of CZK	Subordinated debt	Lease liabilities	Issued investment securities
Balance as at 1 January 2023	***256***	***183***	***301***
Changes in financial cash flows			
Repayment of subordinated debt	(1)	-	-
Issue of debt	1,000	-	2,967
Lease liabilities paid	-	(40)	-
Total changes in financial cash flows	***999***	***(40)***	***2,967***
Foreign exchange differences	**1**	**1**	**-**
Other changes	(2)	**116**	**(26)**
Related changes			
Interest expense	58	7	69
Interest paid	(56)	(7)	(24)
Total related changes	***2***	***-***	***45***
Balance as at 31 December 2023	***1,256***	***260***	***3,287***
Balance as at 1 January 2024	***1,256***	***260***	***3,287***
Changes in financial cash flows			
Repayment of subordinated debt	(22)	-	(12)
Issue of debt	3,371	-	24
Lease liabilities paid	-	(51)	-
Total changes in financial cash flows	**3,349**	**(51)**	**12**
Foreign exchange differences	***-***	***4***	***1***
Other changes	***2***	***25***	***7***
Related changes			
Interest expense	155	13	258
Interest paid	**(143)**	**(13)**	**(216)**
Total related changes	***12***	***-***	***42***
Balance as at 31 December 2024	***4,619***	***238***	***3,349***

Other changes in the lease liability include new lease contracts (note 27) and the effects of lease modification.

To comply with the requirements, the Group adjusted the titles of selected captions in the cash flow statement in 2024 to more accurately describe their content, as follows:

"Net change in fair value of property, plant and equipment" to "Net change in fair value of investment property and property, plant and equipment"; "Change in revaluation of financial instruments at fair value through profit or loss" to "Change in revaluation of investment securities at fair value through profit or loss"; "Financial assets at FVTPL" to "Investment securities at fair value through profit or loss"; "Prepayments, accrued income and other assets" to "Other assets"; "Acquisition of property, plant and equipment and intangible assets" to "Acquisition and sale of property, plant and equipment, and intangible assets"; "Financial assets at amortised cost – proceeds" to "Investment securities at amortised cost – sales"; "Financial assets at FVOCI – proceeds" to "Purchase of financial instruments at fair value through other comprehensive income – sales"; "Financial assets at FVOCI – acquisition" to "Purchase of financial instruments at fair value through other comprehensive income – purchases"; and "Proceeds from bond issue" to "Proceeds from issued investment securities". The adjustments made did not impact the content of individual items, and therefore it was not necessary to adjust the comparative balances.

39. FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

Loan commitments relate to loans granted by the Group. The financial guarantees provided generally represent various guarantees issued in connection with loans, bills of exchange issued by other parties, lease agreements, and other third-party liabilities and are stated at the amount of the potential future obligation.

Maximum credit risk exposure for loan commitments and financial guarantees:

2024	Stage 1	Stage 2	Stage 3	POCI	**Total**
Unused credit lines	7,167	341	167	-	***7,675***
Granted guarantees	3,921	973	53	24	***4,971***

2023	Stage 1	Stage 2	Stage 3	POCI	**Total**
Unused credit lines	6,838	34	177	15	***7,064***
Granted guarantees	3,841	142	121	-	***4,104***

40. ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

in millions of CZK	**31/12/2024**	**31/12/2023**
Assets under management		
Assets in own-managed funds	247,433	139,462
Assets under investment management with right of disposal	4,734	6,017
Assets under administration		
Other administrative assets	240,348	222,573
Total	***492,515***	***368,052***
Of which Assets under administration entrusted to third parties	*61,226*	*61,545*

The year-on-year growth in assets under management is aligned with the Bank's strategy, which emphasizes the ongoing expansion of these assets. Assets under management are measured at fair value for quoted financial instruments. If these are not quoted, debt and equity financial instruments are valued at amortised cost or using common valuation techniques (e.g. pricing models with market inputs as available), respectively.

Assets under management

Assets under management represent the total market value of investments that the Group manages on behalf of clients. These assets are actively managed by fund managers and portfolio managers with fiduciary responsibility and authority to make investment decisions on behalf of investors.

Assets under management in own-managed funds represent assets of all investment funds of the Group.

Securities, value rights, precious metals and other fiduciary investments from third parties under investment management, where the Group has right of disposal. The amount comprises of both assets deposited with the Group companies and of assets deposited with third parties, for which the Group companies hold right of disposal. Assets under management are charged by a fee combined from a fixed management fee from the volume of managed assets and a performance fee.

Assets under administration

Assets under administration are total assets for which the Group provides only administrative services and consultancy for a fee. Assets are owned and managed by clients who have entered into an agreement with the Group as the provider of assets administration and safekeeping services. The Group has no right to make investments decisions on behalf of clients.

Assets under administration are charged by a fee for safekeeping investment instruments according to the Group's price list and the Group's reward mechanism.

Assets under administration entrusted to third parties

These assets are foreign securities handed over to other banks or foreign investment firms for administration. In order to refine the reporting of assets under administration, the Bank has proceeded to recognise assets transferred to other entities for administration.

41. RELATED PARTIES

The outstanding balances and transactions with related parties of the Group are presented in the following tables. All material transactions with related parties were carried out based on the arm's length principle.

The transactions with the related parties are divided into the following categories:

I. Parent company J&T FINANCE GROUP SE.
II. Majority owners of J&T FINANCE GROUP SE and companies they own. These companies do not prepare consolidated financial statements that would include the Group, with the exception of J&T FINANCE GROUP SE.
III. Subsidiaries. This category includes the subsidiaries of J&T FINANCE GROUP SE outside the Group that are included in the Group consolidated financial statements.
IV. Associates and joint-ventures. This category includes associates and joint ventures of the Group and J&T FINANCE GROUP SE.
V. Key management personnel of the Group or its parent and companies controlled or jointly controlled by this key management personnel. This category includes related parties which are connected to the Group through key management personnel of the Group or its parent.

On-balance, off-balance sheet and profit / loss items

As at 31/12/2024	I.	II.	III.	IV.	V.	Total
Receivables	7	32	3,784	-	2,800	6,623
Liabilities	1,752	261	3,569	4	742	6,328
Granted guarantees	-	-	-	-	46	46
Received guarantees	-	-	85	-	247	332
Provided loan commitments	1,486	7	716	-	154	2,363
Received collaterals	-	1	13	-	1,206	1,220
Profit / (loss) items						
Expenses	(1,647)	(9)	(1,607)	-	(239)	(3,502)
Income	1,470	10	681	33	362	2,556

As at 31/12/2023	I.	II.	III.	IV.	V.	Total
Receivables	5	69	2,945	262	2,417	5,698
Liabilities	487	163	948	81	537	2,216
Granted guarantees	-	-	-	5	43	48
Received guarantees	427	-	32	-	247	706
Provided loan commitments	1,465	41	102	-	436	2,044
Received collaterals	-	-	-	250	474	724
Profit / (loss) items						
Expenses	(2,459)	(4)	(1,926)	(2)	(105)	(4,496)
Income	2,658	16	1,611	22	761	5,068

Receivables from related parties consist primarily of loans and overdrafts. Payables to related parties especially include term deposits, deposits payable on demand, savings and tied deposits. Revenues and expenses consist mainly of gains/losses on currency derivatives, interest income, income from fees and commission and brokering fees.

Receivables/payables from/to key management personnel

in millions of CZK	2024	2023
Provided loans	477	246
Deposits received	250	10

The members of the Board of Directors, Supervisory Board, Loan Committee, Investment Instrument Committee, Risk taker and ultimate shareholders represent the Group's key executives.

The Group's key management received no other remuneration in the form of short-term benefits, post-employment benefits, other long-term employee benefits, early termination benefits, or share-based payments.

Loans to the Group's employees as at 31 December 2024 amounted to CZK 549 million (2023: CZK 337 million). The loans provided to key management personnel and Bank's employees were provided on the arm's length basis.

42. FAIR VALUE INFORMATION

The main methods and assumptions used to estimate the fair values of financial assets measured at amortised cost are described in note 4.

Estimates of the fair value of financial assets and liabilities measured at amortised cost, analysed according to the hierarchy that reflects the significance of the inputs used in the valuation were as follows:

31/12/2024	Level 1	Level 2	Level 3	Total fair value estimate	Carrying amount
Financial assets					
Cash, cash equivalents and due from banks and other financial institutions	-	118,849	-	118,849	118,850
Investment securities at amortised cost	29,259	-	-	29,259	29,155
Loans and other advances to customers	-	-	111,398	111,398	110,575
Financial liabilities					
Deposits and loans from banks	-	7,645	-	7,645	7,711
Deposits from customers	-	227,043	-	227,043	227,730
Issued investment securities	-	-	3,476	3,476	3,353
Subordinated debt	2,486	2,040	-	4,526	4,619

31/12/2023	Level 1	Level 2	Level 3	Total fair value estimate	Carrying amount
Financial assets					
Cash, cash equivalents and due from banks and other financial institutions	-	140,977	-	140,977	140,969
Investment securities at amortised cost	4,333	-	-	4,333	4,540
Loans and other advances to customers	-	-	110,716	110,716	101,456
Financial liabilities					
Deposits and loans from banks	-	9,156	-	9,156	9,191
Deposits from customers	-	217,496	-	217,496	217,837
Issued investment securities	2,988	-	320	3,308	3,287
Subordinated debt	-	1,190	-	1,190	1,256

43. RISK MANAGEMENT POLICIES AND DISCLOSURES

The strategy, main goals and processes

The fundamental goal of risk management is profit maximization with respect to the risk taken, while considering the Group's risk appetite.

In doing so, it must be ensured that the outcome of Group activities is predictable and in compliance with both business goals and risk appetite of the Group.

In order to meet this goal, the risks faced by the Group are managed in a quality and prudential manner within the framework of the Group:

- In terms of the above, risks are monitored, assessed and eventually limited, at least as strictly as required by the Czech National Bank. The internal limits are regularly reviewed (especially in the case of significant changes of market conditions) to ensure their compliance with both the Group's overall strategy and market and credit conditions. The adherence to the limits is monitored and reported daily (on an individual basis). In case of their potential breach, the Group immediately adopts appropriate remedial measures.
- The Group establishes goals for capital adequacy that it wants to attain over a specified time horizon (i.e. the level to which risks should be covered by capital) and threshold limits below which capital adequacy cannot decrease.
- The Group establishes targets for selected indicators of liquidity that it wants to achieve in a specified time horizon, and certain limits, below which the system of liquidity indicators cannot decrease.
- The Group establishes goals for other selected risk indicators (the risk of excessive leverage, the credit risk, the concentration risk, operational risk etc.) and threshold limits below which the system of indicators cannot decrease.

All internal limits have been approved independently of business units of the Group. The key indicators (capital adequacy ratio, liquidity and other risk categories) and their limits are part of the Group's Risk Appetite Statement.

Environmental sustainability, social responsibility and corporate management (ESG)

As part of the double materiality assessment process, the Group assessed the following:

- Climate risks
  - physical climate-related risks for the Group's own operations,
  - physical climate-related risks in the value chain, mainly related to loans and investments.
- Transition risks and opportunities for the Group's own operations
  - transition risks and opportunities for the value chain, which are mainly loans and investments.

Using UNEP FI initiative guidelines and tools, the Group performed an analysis of these risks.

The Group identified significant climate risks only in the medium (30-40 years) and long-term time horizon (40-50 years) – see Chapter ESRS 2 SBM-3 in the Sustainability Report; it did not identify any climate risks in the short-term horizon and therefore does not expect significant adjustments to the carrying amounts of assets and liabilities in the following accounting period.

Climate risks are managed and monitored within the Group by the Bank's Risk Management Department in cooperation with the Sustainability Committee.

The Group has not yet assessed the financial impact of significant climate risks in the long and medium term because it does not have sufficient information to assess them. The Bank plans to make the assessment in the coming years and, if appropriate, take appropriate measures.

44. CREDIT RISK

The Group's primary exposure to credit risk arises through its loans and advances and investment in securities. The amount of credit exposure in this regard is represented by the carrying amounts of the assets in the statement of financial position. In addition, the Group is exposed to off-balance sheet credit risk through commitments and guarantees to extend credit.

Concentrations of credit risk (whether on or off balance sheet) that arise from financial instruments exist for groups of counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

(a) Forbearance

The Group monitors the quality of loan receivables to customers according to categories performing and non-performing exposures forborne and non-forborne. The Group treats forbearance in accordance with the Technical Standard on non-performing exposures and forbearance measures published by the European Banking Authority (EBA) and in accordance with the Public Statement of the European Securities and Markets Authority (ESMA) on the treatment of forbearance practices in the financial statements of the financial institutions prepared in accordance with International Financial Reporting Standards (IFRS).

Forbearance is an exposure where the Group decides, due to the debtor's financial problems, to grant a concession which in other circumstances would not be granted. The concession may consist in the modification of the terms and conditions of the contract or in debt refinancing. The modification of terms and conditions may include, but is not limited to, a decrease in interest rate, reduction of the interest or principal, change in the repayment schedule (e.g. postponement of interest payment due date, temporary payment holiday, prolongation of the final due date of the loan, fee or accessories for the debtor, modification or non-monitoring of covenants, interest or instalment capitalisation, partial debt write-off). Any modification of terms and conditions or refinancing which is not result of debtor's financial problems cannot be interpreted as forbearance. Concessions may result in better interest risk management and mitigation of potential future loan losses.

Performing and non-performing exposures may also be recognised as exposures without concession provided no modification of terms and conditions or refinancing was made in respect to the given receivable.

Performing exposures comprise primarily exposures classified in Stage 1 and 2. Non-performing exposures comprise receivables with debtor's failure classified in Stage 3. Under special conditions defined by EBA, exposures in Stage 2 might also be categorised as non-performing exposures. If more than 20% of total debtor's exposure is overdue more than 90 days the Group shall include all of the debtor's balance sheet and off-balance sheet exposures as non-performing. The Group also evaluates the classification of debtors from the same group of related parties to verify the condition for being classified as non-performing exposure.

As at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Performing exposures	110,617	(1,208)	109,409
– of which performing exposures forborne	4,072	(27)	4,045
Non-performing exposures	3,348	(2,182)	1,166
– of which non-performing exposures forborne	1,588	(948)	640
Total	***113,965***	***(3,390)***	***110,575***

As at 31/12/2023	Gross carrying amount	ECL	Net carrying amount
Performing exposures	100,740	(1,104)	99,636
– of which performing exposures forborne	*3,045*	*(35)*	*3,010*
Non-performing exposures	4,383	(2,563)	1,820
– of which non-performing exposures forborne	*1,518*	*(711)*	*807*
Total	***105,123***	***(3,667)***	***101,456***

	2024	**2023**
Share of exposures forborne in the total loans provided to customers	4.97%	4.34%
Share of non-performing exposures in total loans to customers	2.94%	4.17%

(b) Concentration of loans to customers by economic sector

As at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Not forborne			
Non-financial institutions	63,188	(1,815)	61,373
Financial institutions	42,065	(597)	41,468
Households	3,049	(3)	3,046
Other	3	-	3
Total	***108,305***	***(2,415)***	***105,890***
Forborne			
Non-financial institutions	3,971	(335)	3,636
Financial institutions	1,662	(640)	1,022
Households	27	-	27
Total	***5,660***	***(975)***	***4,685***

As at 31/12/2023	Gross carrying amount	ECL	Net carrying amount
Not forborne			
Non-financial institutions	55,888	(1,949)	53,939
Financial institutions	42,513	(965)	41,548
Households	2,159	(7)	2,152
Total	***100,560***	***(2,921)***	***97,639***
Forborne			
Non-financial institutions	3,875	(415)	3,460
Financial institutions	638	(328)	310
Households	50	(3)	47
Total	***4,563***	***(746)***	***3,817***

(c) Concentration of loans to customers by industry

in millions of CZK	2024	2023
Real estate activities	28,573	22,156
Financial services	13,696	15,158
Production and distribution of electricity, gas and heat	11,736	12,034
Culture, sports, entertainment and recreation activities	10,900	11,258
Accommodation and food service activities	10,193	4,459
Manufacturing	10,024	10,146
Construction	8,448	6,989
Wholesale and retail	7,708	5,329
Private households and employed persons	2,200	1,226
Administrative and support service activities	2,028	1,717
Information and Communication Technologies	1,804	3,695
Water supply, services relating to water, waste management and redevelopment	1,213	1,252
Professional, scientific and technological activities	1,098	850
Mining and quarrying	637	875
Agriculture, forestry and fishing	220	226
Transportation and storage	41	3,329
Healthcare and social work	30	203
Education	13	240
Other	13	314
Total	***110,575***	***101,456***

(d) Concentration of loans to customers by location

in millions of CZK	2024	2023
Czech Republic	42,478	31,303
Cyprus	23,622	28,202
Slovakia	13,050	9,037
Luxembourg	12,393	13,326
Croatia	4,349	4,319
Switzerland	3,751	4,612
Poland	2,739	1,813
Germany	2,140	2,514
British Virgin Islands	1,582	-
USA	1,117	1,757
Cayman Islands	884	1,219
France	650	643
Great Britain	618	1,391
Malta	481	293
Maldives	243	262
Belgium	236	264
The Netherlands	213	218
Guernsey – Channel Islands	-	90
Other	29	193
Total	***110,575***	***101,456***

(e) Concentration of loans to customers by location of project implementation and collateral

in millions of CZK	2024	2023
Czech Republic	55,845	50,841
Slovakia	17,869	12,382
Germany	7,314	7,662
Great Britain	5,026	5,394
Croatia	4,350	4,319
Romania	3,751	4,610
Spain	3,235	3,288
Cyprus	2,852	3,451
Poland	2,741	1,814
USA	2,451	2,498
Slovenia	1,103	1,578
Hungary	1,043	1,333
France	648	466
Tanzania	558	599
Italy	422	-
Austria	411	9
Maldives	243	262
Belgium	236	264
Malta	109	156
The Netherlands	101	76
Ukraine	-	164
Luxembourg	-	62
Other	267	228
Total	***110,575***	***101,456***

The concentration of credit risk arising from repurchase agreements and loans to clients of brokers reflects the counterparty risk associated with securities and cash received as collateral.

(f) Credit risk associated with provided loans and repurchase agreements

As at 31 December 2024	Loans to banks	Repurchase agreements – financial institutions	Loans to customers	Debits and repurchase agreements – customers
Stage 1 and 2 – individually				
Gross amount	12,409	106,225	95,540	14,828
Expected credit losses	(1)	-	(1,241)	-
Stage 3 – individually				
Gross amount	-	-	3,347	-
Expected credit losses	-	-	(2,182)	-
POCI – individually				
Gross amount	-	-	250	-
Expected credit losses	-	-	33	-
Total	***12,408***	***106,225***	***95,747***	***14,828***
Stage 1 and 2 – by maturity				
– to maturity date	12,408	106,225	93,950	14,828
– up to 1 month past due	-	-	348	-
– 1 to 3 months past due	-	-	1	-
Stage 3 – by maturity				
– to maturity date	-	-	708	-
– 1 to 3 months past due	-	-	7	-
– 3 to 6 months past due	-	-	60	-
– more than 12 months past	-	-	390	-
POCI – by maturity				
– to maturity date	-	-	283	-
Total	***12,408***	***106,225***	***95,747***	***14,828***

As at 31 December 2023	Loans to banks	Repurchase agreements – financial institutions	Loans to customers	Debits and repurchase agreements – customers
Stage 1 and 2 – individually				
Gross amount	9,481	131,282	85,621	14,867
Expected credit losses	(3)	-	(1,141)	-
Stage 3 – individually				
Gross amount	-	-	4,265	16
Expected credit losses	-	-	(2,546)	-
POCI – individually				
Gross amount	-	-	354	-
Expected credit losses	-	-	20	-
Total	***9,478***	***131,282***	***86,573***	***14,883***
Stage 1 and 2 – by maturity				
– to maturity date	9,478	131,282	84,405	14,867
– up to 1 month past due	-	-	69	-
– 1 to 3 months past due	-	-	3	-
– 6 to 12 months past due	-	-	4	-
Stage 3 – by maturity				
– to maturity date	-	-	994	16
– up to 1 month past due	-	-	261	-
– 3 to 6 months past due	-	-	95	-
– 6 to 12 months past due	-	-	356	-
– more than 12 months past	-	-	12	-
POCI – by maturity				
– to maturity date	-	-	338	-
– 6 to 12 months past due	-	-	5	-
– more than 12 months past	-	-	31	-
Total	***9,478***	***131,282***	***86,573***	***14,883***

The part of the receivables that is not past due is presented in the line “To maturity date” and the Group does not assume any problems with the counterparty’s payment behaviour. Receivables past due are reported in the appropriate columns according to their maturity.

Receivables by internal rating

Risk category	Stage 1	Stage 2	Stage 3	POCI	**Total**
Very low risk	1,134	-	-	-	1,134
Low risk	29	-	-	-	29
Medium risk	81,137	9,353	-	250	90,740
High risk	2,538	1,349	56	-	3,943
Default	-	-	3,291	-	3,291
Debits and reverse repurchase agreements – without rating	14,828	-	-	-	14,828
ECL	(853)	(388)	(2,182)	33	(3,390)
Total as at 31 December 2024	***98,813***	***10,314***	***1,165***	***283***	***110,575***

Risk category	Stage 1	Stage 2	Stage 3	POCI	**Total**
Very low risk	723	-	-	-	723
Low risk	1,171	-	-	-	1,171
Medium risk	76,332	5,350	-	-	81,682
High risk	230	1,814	248	256	2,548
Default	-	-	4,018	98	4,116
Debits and reverse repurchase agreements – without rating	14,867	-	16	-	14,883
ECL	(837)	(304)	(2,546)	20	(3,667)
Total as at 31 December 2023	***92,486***	***6,860***	***1,736***	***374***	***101,456***

(g) Sensitivity analysis for expected credit losses

The Group performs various sensitivity analyses of expected credit losses. One set of sensitivity analysis represents change in ECL by changing in LGD and GDP parameters. The optimistic and pessimistic scenario reflects the amount of expected credit losses on a change of LGD by 10% and a change of GDP by 1%.

		Optimistic	Base	Pessimistic
Change in LGD	***ECL 2024***	(3,180)	(3,390)	(3,614)
	ECL 2023	(3,352)	(3,667)	(3,979)
Change in GDP	***ECL 2024***	(3,362)	(3,390)	(3,418)
	ECL 2023	(3,618)	(3,667)	(3,708)

The Group also pursues sensitivity analysis for expected credit losses for PD change scenarios arising at 5%, 12.5%, 25% and 50% quantiles of GDP predictions, with each set of PDs equally weighted at 25%. The ECL values below represent the amount of expected credit losses as at 31 December 2024 if the Group applied a 100% weighting to the PD set for that quantile, while the PD sets for the other GDP prediction scenarios would have a 0% weighting. For Stage 1 and 2, the impacts are calculated only for loans and investment securities that are not subject to management adjustments for crisis scenarios (see note 4.1.).

		ECL per quantile			
	Base ECL 2024	5%	12.5%	25%	50%
Loans to customers	(3,390)	(3,365)	(3,379)	(3,395)	(3,419)
from this Stage 1 and 2	*(482)*	*(457)*	*(471)*	*(487)*	*(511)*
Bonds FVOCI and AC	(105)	(115)	(109)	(102)	(93)
from this Stage 1 and 2	*(56)*	*(66)*	*(60)*	*(53)*	*(44)*

		ECL per quantile			
	Base ECL 2023	5%	12.5%	25%	50%
Loans to customers	(3,667)	(3,614)	(3,641)	(3,674)	(3,739)
from this Stage 1 and 2	*(635)*	*(582)*	*(609)*	*(642)*	*(707)*
Bonds FVOCI and AC	(81)	(86)	(83)	(80)	(74)
from this Stage 1 and 2	*(48)*	*(53)*	*(50)*	*(47)*	*(41)*

(h) Collateral and credit enhancements for provided loans and repurchase agreements

The carrying amount of loans and repurchase agreements reported in the statement of financial position represents the maximum credit risk exposure. The carrying amount of collateral for loans and repurchase agreements presented below represents the collateral value adjusted by the collateral stress coefficient and is reported up to the carrying amount of the receivable. The Group's policy is to require collateral from certain customers before loans can be drawn. Collateral value is monitored and revised on regular basis.

	31/12/2024		31/12/2023	
Carrying amount of collateral	Stage 1 and 2	Stage 3	Stage 1 and 2	Stage 3
To maturity date	**149,120**	**555**	**166,329**	**281**
– Guarantees	1,075	12	2,964	-
– Promissory notes	182	-	223	-
– Real estate	20,180	475	13,093	260
– Cash deposits	3,035	68	2,570	21
– Securities	12,496	-	13,808	-
– Other	2,561	-	2,783	-
– Securities received under reverse repurchase agreements	109,591	-	130,888	-
Past due	**-**	**473**	**15**	**400**
– Real estate	-	473	14	399
– Other	-	-	1	1

Other is mainly represented by movable assets and receivables.

For the purposes of reporting the collateral value of loans, the Group only values promissory notes with a financial guarantee. The amount of collateral depends on the value of a guarantee provided by a promissory note holder.

The carrying value of securities received under reverse repurchase agreements is represented in the quoted market price of the securities.

The Group did not receive any financial assets from indemnity claims based on loans in default.

(i) Credit risk processes

Evaluating the risk of failure of a counterparty is based on a credit analysis, processed by the Credit Risk Management department. These analyses provide conclusions for prompt measures when the counterparty's credit situation worsens or if the counterparty fails to comply with contractual conditions.

The results from the credit development analyses are reported to the Board of Directors or respective committee, which decides on adjustments of limits or relations with the counterparty (e.g. in the form of closing or limiting positions or adjustment of limits).

Credit risk of trading book is monitored on daily basis, while credit risk of banking book is monitored on regular basis, at least once a month.

The level of risk is assessed by the Credit Risk Management department. If the set internal credit limits (trading portfolio exposure, derivative transactions, margin trading) are breached, the Financial Markets Dept. is informed, in order to ensure the compliance of the risk exposure with the limits. In certain pre-determined cases, the Board of Directors or members of the Investment Instrument Committee also get informed.

(j) Credit risk monitoring

Assessment of the credit risk in respect of counterparty or a debt instrument is based on an internal rating of the Group. The rating is determined using the credit scale of either S&P or Moody's. If the counterparties or their debt are not externally rated, an internal rating is assigned based on the Group scoring system.

The Group's rating system has thirteen rating levels based on a standardized point evaluation of relevant criteria, which describe the financial position of the contractual party and its ability and willingness to fulfil its credit obligations – in both cases including the expected development, as well as proposed conditions for effecting the transaction.

The Group also evaluates financial and non-financial indicators that may not be monitored within the scoring system.

(k) Credit risk measurement

The Group regularly analyses and monitors credit risk of the trading book. At a portfolio level, the credit risk of the trading book is managed primarily based on the Internal Rating Based (IRB) methodology.

In order to assess the impact of extremely unfavourable credit conditions, the Group performs credit development analyses. This enables identification of sudden potential changes in the values of open positions of the Group that might arise as a result of events that are improbable, but possible.

For the trading portfolio, an impact of a sudden drop of credit rating by one level on open positions in bonds is evaluated.

	2024	2023
Decrease of the trading portfolio value due to a rating migration by one credit class	45	48

(in the Standard & Poor's scale)

(l) Risk management of customer trades

The Group prevents the possibility of a credit exposure arising from customer trades, i.e. trades which are transacted on the customer's account and where the Group has the role of a commissioner (customer trades such as spot buy, spot sell, sell / buy or buy / sell) as follows:

1. The amount of the customer collateral is continuously held higher than the amount of the customer loan at least by a pre-specified minimum required haircut. The level of this haircut is assigned to every instrument.
2. Should the current collateralization of the customer portfolio fall below 30% of the minimum required haircut, the Group closes all of the customer's positions immediately.
3. The Group accepts only instruments of specified minimal creditworthiness as collateral for customer trades.

In addition, the Group also restricts the total volume of individual instruments used as collateral.

45. CAPITAL MANAGEMENT

The Group's strategy is to hold strong capital base in order to maintain the confidence of creditors and the market, while ensuring the future development of the business.

As of 1 January 2014, the consolidated capital adequacy ratios are calculated in accordance with Regulation (EU) no. 575/2013 of the European Parliament and Council Regulation (the "CRR") 26 June 2013.

Own funds (regulatory capital) of the Group are analysed in two parts:

- Tier 1 capital, which consist of:
  - Common Equity Tier 1 capital (CET1), which includes paid-up ordinary share capital, share premium, retained earnings incl. interim profit, accumulated other comprehensive income, other transitional CET1 arrangements, net of goodwill, intangible assets, additional value adjustments (AVA), insufficient coverage for non-performing exposures;
  - Additional Tier 1 capital (AT1), which includes instruments (subordinated income certificates) issued in accordance with CRR (note 36).
- Tier 2 capital, which consists of eligible subordinated debt approved by Czech National Bank of CZK 4,036 million (31 December 2023: CZK 1,051 million).

From 1 January 2014 the capital adequacy ratios are calculated for CET1, Tier 1 capital and total regulatory capital. The value represents the ratio of capital to risk weighted assets (RWA). CNB also requires every institution to hold an additional capital conservation buffer of 2.5% and a countercyclical buffer on all the levels of regulatory capital.

The specific countercyclical capital buffer rate is calculated in accordance with Section 63 CNB decree No. 163/2014 Coll. and is calculated as a weighted average of the countercyclical buffer rates in effect in the jurisdictions to which the Bank has relevant risk exposures. It started to be relevant in 2017 when the Czech Republic and the Slovak Republic firstly set their countercyclical buffer rates. These have gradually been also set for other relevant states.

Minimum requirements for capital ratios

	Minimum requirement	Capital conservation buffer	Countercyclical buffer	**Total requirement**
Common Equity Tier 1 capital (CET1)	4.50%	2.50%	1.07%	8.07%
Tier 1 capital	6%	2.50%	1.07%	9.57%
Total regulatory capital 2024	**8%**	**2.50%**	**1.07%**	**11.57%**
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.19%	8.19%
Tier 1 capital	6%	2.5%	1.19%	9.69%
Total regulatory capital 2023	**8%**	**2.5%**	**1.19%**	**11.69%**

Regulatory capital

Regulatory capital and equity reconciliation

The tables below summarize the composition of own funds (regulatory capital) and equity and capital ratios for 31 December 2024 and 31 December 2023, providing a complete reconciliation of individual items of regulatory capital to equity items.

As at 31 December 2024	Regulatory capital	Equity
Tier 1	**33,668**	**n/a**
CET1	26,392	-
Share capital	10,638	10,638
Retained earnings and other reserves	16,209	23,142
Translation and revaluation reserve	(205)	(268)
Non-controlling interest	-	178
(-) Goodwill	(123)	-
(-) Intangible assets other than goodwill	(38)	-
(-) Insufficient coverage for non-performing exposures	(56)	-
(-) AVA	(33)	-
AT1	7,276	7,293
Tier 2	**4,036**	**n/a**
Total regulatory capital/equity	***37,704***	***40,983***

As at 31 December 2023	Regulatory capital	Equity
Tier 1	**37,621**	**n/a**
CET1	28,753	-
Share capital	*10,638*	10,638
Retained earnings and other reserves	*18,728*	21,750
Translation and revaluation reserve	*(290)*	(308)
Non-controlling interest	-	9
(-) Goodwill	*(123)*	-
(-) Intangible assets other than goodwill	*(117)*	-
(-) Insufficient coverage for non-performing exposures	*(48)*	-
(-) AVA	*(35)*	-
AT1	8,868	8,868
Tier 2	**1,051**	**n/a**
Total regulatory capital/equity	***38,672***	***40,957***

Based on the approval of the Czech National Bank, the Bank included profit for the half-year ended 30 June 2023 to the regulatory capital in 2023. According to the Article 26 point 2 of the CRR Regulation, the auditor performed the review of interim financial statements and the Group proceeded the analysis of the predictable paid dividends.

Risk weighted assets (RWA) and capital ratios

in millions of CZK	31/12/2024	31/12/2023
Central governments or central banks	1,261	1,744
Local governments	2	-
Institutions	489	399
Corporates	69,801	69,926
Retail	177	96
Secured by mortgages on immovable property	18,616	11,115
Exposures in default	1,637	3,043
Items associated with particular high risk	28,014	29,903
Deposits from institutions and corporates with short-term credit rating	526	70
Collective investments undertakings (CIU)	13,722	12,861
Shares	1,183	937
Other exposures	3,314	3,442
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**138,742**	**133,536**
Traded debt instruments	2,985	2,548
Shares	851	1,320
Position risk in collective investment undertakings (CIUs)	186	773
Foreign exchange	2,246	1,350
Total risk exposure amount for position, foreign exchange and commodity risks	**6,268**	**5,991**
Operational risk	20,605	15,554
Total risk exposure amount for credit valuation adjustment	296	173
Total risk exposure amount	**165,911**	**155,254**

Capital adequacy ratios

	31/12/2024	31/12/2023
Common Equity Tier 1 capital (CET1)	15.91%	18.52%
Tier 1 capital	20.29%	24.23%
Total regulatory capital	**22.73%**	**24.91%**

The Czech National Bank, as a local authority for crisis resolution, defines the most appropriate strategies for crisis resolution of institutions and determines the minimum requirement for capital and eligible liabilities of these institutions (MREL). MREL requirements are all set and monitored by the CNB for the Bank individually. The requirements for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are comfortably met by the Bank.

	31/12/2024	31/12/2023
Leverage ratio	9.97%	11.85%
Liquidity ratios		
LCR	318.30%	413.26%
NSFR	181.42%	191.91%

The key goal of capital management of the Group is to ensure that the risks faced do not threaten the solvency of the Group and capital adequacy regulatory limit compliance. The purpose for setting the minimum value for capital adequacy requirements is to establish a trigger mechanism, which provides a guarantee that the capital adequacy will not decrease to the regulatory minimum.

The compliance of the Group capital with established limits and goals for the capital adequacy is evaluated regularly by the ALCO committee and the Group's management. The decision-making power with regard to eventual measures that should be implemented to decrease the level of exposed risk (e.g. decreasing the size of risks, acquiring additional capital, etc.) is given to the Board of Directors.

46. LIQUIDITY RISK

Liquidity risk represents the risk that the Group is not able to meet its liabilities as they become due. The liquidity risk is managed together with a funding risk, which is the risk that the Group will not be able to renew its commitments under favourable conditions. Banks in the Group takes a highly prudent approach to managing liquidity and funding risk: on the one hand, the banks hold a significant portion of its assets in high-quality liquid assets (e.g. deposits with central banks, other claims on central banks, and government bonds and treasury bills), and on the other hand, their funding comes primarily from customer deposits, which are considered as a highly stable source of funding, and their maturity structure provide a natural hedge of liquidity and funding risk.

The main tools for managing liquidity and funding risk are both regulatory indicators of liquidity coverage ratio (LCR) and net stable funding ratio (NSFR), as well as internal indicators; in the area of liquidity risk, survival indicators in liquidity scenarios (base scenario and stressed scenarios) are monitored, and in the area of funding risk, indicators corresponding to the selected funding model of a given bank in the Group. At the end of 2024, the liquidity position remains in surplus with respect to both types of the above indicators monitored. The values of the indicators for managing liquidity and funding risk for banks in the Group (including LCR and NSFR) are above their respective internally set limits. Banks in the Group have an obligation to report to their respective supervisory authorities, to which they regularly submit a set of indicators related to liquidity and funding, information on their management, and also on the management of related risks. Banks in the Group have a contingency plan for liquidity management, which sets out the procedure in case of an unpredictable outflow of its primary funding.

The contractual maturities illustrate that, on contractual basis and due to the predominant share of assets of banks, the Group funds its long-term assets with shorter-term liabilities. However, the actual maturity of customer deposits is much longer than their contractual maturity, and customer deposits have been and are a stable source of funding. In this respect, the Bank’s funding model is in line with industry standards.

The table shows the liquidity risk based on remaining contractual maturity dates.

31/12/2024	Gross carrying amount	Total contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undefined maturity
Assets							
Cash, cash equivalents and due from banks and other financial institutions	118,850	119,014	118,763	13	238	-	-
Investment securities (excl. derivatives)	57,535	72,114	5,255	1,452	17,097	35,932	12,378
Loans and other advances to customers	113,965	130,599	28,612	32,095	60,693	9,199	-
Other assets	23,785	24,205	21,877	1,678	627	23	-
Total	***314,135***	***345,932***	***174,507***	***35,238***	***78,655***	***45,154***	***12,378***
Off balance							
Bank commitments	7,675	7,675	4,515	265	2,595	300	-
Bank guarantees	4,972	4,972	4,972	-	-	-	-
Liabilities							
Deposits and loans from banks	7,711	7,767	6,742	30	995	-	-
Deposits from customers	227,730	236,536	168,930	38,491	27,434	1,681	-
Issued investment securities	3,353	4,245	-	259	3,982	-	4
Subordinated debt	4,619	6,726	93	268	3,094	3,271	-
Lease liabilities	238	262	31	42	159	30	-
Other liabilities	29,390	29,802	29,040	268	494	-	-
Total	***273,041***	***285,338***	***204,836***	***39,358***	***36,158***	***4,982***	***4***
Net liquidity position	***41,094***	***60,594***	***(30,329)***	***(4,120)***	***42,497***	***40,172***	***12,374***
Cumulative liquidity position			***(30,329)***	***(34,449)***	***8,048***	***48,220***	***60,594***

Derivatives – non-discounted cash flows

31/12/2024	Carrying amount	Total contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years
Assets					
Foreign exchange	2,996				
– inflow		2,996	734	732	1,530
Cross currency derivatives	71				
– inflow		939	514	425	-
– outflow		(863)	(492)	(371)	-
Interest rate derivatives	275	275	7	55	213
Other – inflow	3	3	-	3	-
Total	***3,345***	***3,350***	***763***	***844***	***1,743***
Liabilities					
Foreign exchange	1,498				
– outflow		(1,498)	(879)	(351)	(268)
Cross currency derivatives	70				
– inflow		864	493	371	-
– outflow		(938)	(514)	(424)	-
Interest rate derivatives	50	(52)	(2)	(25)	(26)
Total	***1,618***	***(1,624)***	***(901)***	***(429)***	***(294)***

The table shows the liquidity risk based on remaining contractual maturity dates.

31/12/2023	Gross carrying amount	Total contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undefined maturity
Assets							
Cash, cash equivalents and due from banks and other financial institutions	140,973	141,188	140,916	15	257	-	-
Investment securities (excl. derivatives)	31,440	39,879	324	910	14,286	12,570	11,789
Loans and other advances to customers	105,123	124,738	26,794	22,176	70,923	4,845	-
Other assets	10,278	10,278	8,710	1,414	99	23	32
Total	***287,814***	***316,083***	***176,744***	***24,515***	***85,565***	***17,438***	***11,821***
Off balance							
Bank commitments	7,064	7,064	3,936	739	2,220	169	-
Bank guarantees	4,104	4,104	4,104	-	-	-	-
Liabilities							
Deposits and loans from banks	9,191	9,336	4,503	38	4,795	-	-
Deposits from customers	217,837	228,299	146,508	47,135	33,084	1,572	-
Issued investment securities	3,287	3,403	-	64	3,339	-	-
Subordinated debt	1,256	1,637	100	64	1,473	-	-
Lease liabilities	260	286	29	41	156	60	-
Other liabilities	16,652	16,652	14,223	2,366	64	-	-
Total	***248,483***	***259,613***	***165,363***	***49,708***	***42,911***	***1,632***	***-***
Net liquidity position	***39,331***	***56,470***	***11,381***	***(25,193)***	***42,654***	***15,806***	***11,821***
Cumulative liquidity position			***11,381***	***(13,812)***	***28,842***	***44,648***	***56,469***

Derivatives – non-discounted cash flows

31/12/2023	Carrying amount	Total contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years
Assets					
Foreign exchange	4,422				
– inflow		4,422	1,159	1,563	1,700
Cross currency derivatives	60				
– inflow		958	14	38	906
– outflow		(884)	(5)	(25)	(854)
Interest rate derivatives	348	349	9	24	316
Other – inflow	2	2	-	2	-
Total	***4,832***	***4,847***	***1,177***	***1,602***	***2,068***
Liabilities					
Foreign exchange	2,241				
– outflow		(2,241)	(808)	(741)	(692)
Cross currency derivatives	56				
– inflow		886	5	26	854
– outflow		(955)	(14)	(36)	(905)
Interest rate derivatives	135	(135)	1	(2)	(135)
Total	***2,432***	***(2,445)***	***(816)***	***(753)***	***(878)***

Expected maturity

In general, contractual cash flows represent expected contractual future cash flows of financial instruments. Occasionally, the expected maturity differs from contractual one as historical experience shows that selected loans and deposits are prolonged. In addition, as outstanding balances on current accounts or deposits nearing its maturity date are usually not withdrawn on a daily basis and accounts are not cancelled at maturity date, the Group regularly monitors the period and percentage of deposits that remain available and those that are prolonged. These ratios are used for managing the liquidity risk.

For loans, in the worst-case scenario, the latest possible repayment date is assumed, which is based on latest expected completion date of each particular project. Loans whose refinancing is already being negotiated are recognised based on the expected refinancing date.

The expected maturity of other financial assets and liabilities not disclosed below is similar to their contractual maturity.

31/12/2024	Net carrying amount	Expected cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Undefined maturity
Assets							
Loans and other advances to customers	110,575	126,957	27,266	31,507	59,188	8,996	-
Liabilities							
Deposits from customers	227,730	237,089	161,080	40,596	33,566	1,847	-

31/12/2023	Net carrying amount	Expected cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Undefined maturity
Assets							
Loans and other advances to customers	101,456	121,382	25,214	22,632	68,841	4,695	-
Liabilities							
Deposits from customers	217,837	228,470	139,878	48,350	38,466	1,776	-

47. MARKET RISK

Market risk is the risk of loss to the Group arising from market movements in quoted market prices of investment instruments, exchange rates and interest rates. Market risk consists of the trading portfolio market risk and investment portfolio market risk.

Market risk of the trading portfolio includes:

- Interest rate risk;
- Foreign exchange risk;
- Other market risk (equity risk, commodity risk).

Further information on interest rate risk and foreign exchange risk is provided in note 48 and 49, respectively.

The Group uses the Value at Risk ("VaR") methodology to evaluate market risk of its trading portfolio, the foreign currency ("FX") and commodity position using a confidence level of 99% and a horizon of 10 business days.
The risks are evaluated (on an individual basis) and compared to limits set by the Risk Management Dept. on a daily basis. If the limits are breached, the Financial Markets Dept. is informed, in order to ensure the compliance of the risk exposure with the limits. In pre-determined cases, the information is passed to the Board of Directors and Investment Committee. The decision-making power is given by internal rules to the Board of Directors and Investment Committee.

The VaR statistics as of 31 December 2024 and 31 December 2023 are as follows:

	2024	2023
VaR market risk overall	65	37
VaR interest rate risk	23	25
VaR FX risk	53	10
VaR equity risk	15	32
VaR commodity risk	2	1

In order to assess the impact of extremely unfavourable market conditions, the Group performs stress testing. This enables identification of sudden potential changes in the values of open positions of the Group that might arise as a result of events that are improbable, but possible. As part of the stress testing, a short-term, medium-term and long-term historic shock scenario is applied to the trading portfolio, and the foreign currency and commodity positions of the Group as a whole. These scenarios evaluate the deepest drop of the current portfolio value which would have happened in the last two years (short-term scenario), five (medium-term scenario) or fifteen years (long-term scenario). The potential change in the fair value of the portfolio is monitored and assessed.

Change in the fair value of the trading portfolio due to historic shock scenario:

	2024	2023
Short-term scenario	(88)	(107)
Medium-term scenario	(453)	(200)
Long-term scenario	(453)	(269)

The Group performs stress testing of the investment portfolio using a standardised interest rate shock, i.e. an immediate decrease / increase in interest rates by 200 basis points ("bp").

48. INTEREST RATE RISK

Interest rate risk is the risk of a fluctuation in the value of a financial asset due to changes in market interest rates. The period for which the interest rate of a financial asset is fixed indicates the extent to which this instrument is sensitive to interest rate risk.

The yield curves that arise from the input of the above-mentioned rates are used to determine the real values of securities, derivatives (including options), and other interest-sensitive instruments for accounting purposes and for internal risk management purposes. These calculations involve curves for both discounting to present value and for determining future floating rates.

For monitoring the general interest rate risk of the banking book, the Group uses, among other measures, the economic value of equity indicator and the net interest income indicator. To monitor the sensitivity of the economic value of equity, an impact of relevant hypothetical scenarios of movements in yield curves is measured in terms of present value changes in interest-sensitive financial instruments held in the Group's investment portfolio. The calculation is not performed with use of cash flow slotting method, but by the full revaluation method at a contract level. The net interest income (NII) indicator is used as the indicator of the Group's earnings' sensitivity to market interest rates changes. For the calculation of the net interest income of the Group's investment portfolio, interest income and expenses for the following 12 months for individual financial instruments are aggregated, whereby exposures maturing before the end of the monitored horizon of 12 months are replaced at the assumed maturity. The replacement contracts are assumed to carry the same contractual parameters. The sensitivity of the investment portfolio to interest rate risk is then given as the difference in the results of the above-described metrics for alternative interest rate scenarios as compared to the expected base scenario.

The change in the present value of the investment portfolio in percentage points of equity and net interest income ("NII") is as follows:

			2024	2023
Increase/(decrease) in the present value of the investment portfolio due to a sudden change in interest rates by 200 bp	Equity	upward	(968)	1,234
		downward	1,429	(1,818)
	NII	upward	1,260	1,529
		downward	(892)	(1,589)

The exhibited inter-period development in the net interest income indicator, is due (among other secondary drivers) to a methodological change in measurement, whereby short-term transactions with the central bank have been included as interest-sensitive instruments beginning from 2023 in order to provide a more comprehensive overview of the interest rate position.

31/12/2024

Assets	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	**Total**
Cash, cash equivalents and due from banks and other financial institutions	114,949	-	17	3,884	118,850
Investment securities and positive fair value of derivatives	18,055	10,796	19,060	12,947	60,858
Loans and other advances to customers	107,545	2,774	52	204	110,575
Total	***240,549***	***13,570***	***19,129***	***17,035***	***290,283***

Liabilities	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	**Total**
Deposits and loans from banks	7,711	-	-	-	7,711
Deposits from customers	202,534	24,177	1,019	-	227,730
Negative fair value of derivatives	1,325	293	-	-	1,618
Subordinated debt	1,486	2,052	1,081	-	4,619
Issued investment securities	29	3,311	9	4	3,353
Total	***213,085***	***29,833***	***2,109***	***4***	***245,031***
Net interest rate risk	***27,464***	***(16,263)***	***17,020***	***17,031***	***45,252***
Cumulative interest rate risk	***27,646***	***11,201***	***28,221***	***45,252***	

31/12/2023

Assets	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	**Total**
Cash, cash equivalents and due from banks and other financial institutions	137,924	-	3	3,042	140,969
Investment securities and positive fair value of derivatives	12,185	11,509	263	12,315	36,272
Loans and other advances to customers	94,389	6,463	236	368	101,456
Total	***244,498***	***17,972***	***502***	***15,725***	***278,697***

Liabilities	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	**Total**
Deposits and loans from banks	5,457	3,734	-	-	9,191
Deposits from customers	184,052	31,712	1,622	451	217,837
Negative fair value of derivatives	1,547	885	-	-	2,432
Subordinated debt	73	1,183	-	-	1,256
Issued investment securities	20	3,267	-	-	3,287
Total	***191,149***	***40,781***	***1,622***	***451***	***234,003***
Net interest rate risk	***53,349***	***(22,809)***	***(1,120)***	***15,274***	***44,694***
Cumulative interest rate risk	***53,349***	***30,540***	***29,420***	***44,694***	

49. FOREIGN EXCHANGE RISK

Assets and liabilities denominated in foreign currencies, including off-balance sheet exposures, represent the Group's exposure to currency risk. Both realised and unrealised foreign exchange gains and losses are reported directly in the statement of comprehensive income. The main tool used for managing foreign currency risk is the VaR methodology which is applied using a 99% confidence level and a ten-day holding period.

31/12/2024

Assets	CZK	USD	EUR	Other	**Total**
Cash, cash equivalents and due from banks and other financial institutions	110,013	70	8,740	27	118,850
Investment securities and positive fair value of derivatives	37,794	954	22,030	80	60,858
Loans and other advances to customers	13,731	6,552	86,327	3,965	110,575
Total	***161,538***	***7,576***	***117,097***	***4,072***	***290,283***

** The item mainly includes a position in GBP and other currencies in individually insignificant amounts.*

Liabilities	CZK	USD	EUR	Other	**Total**
Deposits and loans from banks	1,315	-	6,396	-	7,711
Deposits from customers	126,539	3,483	96,801	907	227,730
Negative fair value of derivatives	1,618	-	-	-	1,618
Issued investment securities	301	-	3,052	-	3,353
Subordinated debt	4,566	-	53	-	4,619
Total	***134,339***	***3,483***	***106,302***	***907***	***245,031***
Long position of off-balance sheet instruments:					
items from derivative transactions	102,005	25,662	66,511	13,041	207,219
items from spot transactions with equity instruments	6	-	-	-	6
Short position of off-balance sheet instruments:					
items from derivative transactions	75,292	30,693	82,374	16,575	204,934
items from spot transactions with equity instruments	7	-	-	-	7
Open position asset/(liability)	***53,911***	***(938)***	***(5,068)***	***(369)***	***47,536***

31/12/2023

Assets	CZK	USD	EUR	Other	**Total**
Cash, cash equivalents and due from banks and other financial institutions	133,692	94	7,158	25	140,969
Investment securities and positive fair value of derivatives	25,404	10	10,764	94	36,272
Loans and other advances to customers	12,944	7,398	78,390	2,723*	101,455
Total	***172,040***	***7,502***	***96,312***	***2,842***	***278,696***

** The item mainly includes a position in GBP and other currencies in individually insignificant amounts.*

Liabilities	CZK	USD	EUR	Other	**Total**
Deposits and loans from banks	700	-	8,490	-	9,190
Deposits from customers	128,925	3,132	83,786	1,995	217,838
Negative fair value of derivatives	2,432	-	-	-	2,432
Issued investment securities	301	-	2,986	-	3,287
Subordinated debt	1,204	-	52	-	1,256
Total	***133,562***	***3,132***	***95,314***	***1,995***	***234,003***
Long position of off-balance sheet instruments:					
items from derivative transactions	68,094	6,724	54,716	15,781	145,315
items from spot transactions with equity instruments	24	-	7	-	31
Short position of off-balance sheet instruments:					
items from derivative transactions	55,509	11,055	59,285	17,067	142,916
items from spot transactions with equity instruments	4	-	57	-	61
Open position asset/(liability)	***51,083***	***39***	***(3,621)***	***(439)***	***47,062***

50. OPERATIONAL RISK

Operational risk is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal and compliance risk.

The Group's objective of managing the operational risk is to minimize the risk and securing the Group's activities at the required level.

The primary responsibility for the implementation of controls to address operational risk is assigned to the management of the Group and the risk committees. This responsibility is supported by the development of overall standards within the Group for the management of operational risk. The support comes from the Risk Management Dept. and covers the following areas (reflecting the proportionality principle):

- Identification of operational risk within the framework of each subsidiary's control system;
- evaluation of identified risks;
- adoption of a decision to accept or reduce the identified risks (while the required level of activities is secured);
- reporting of operational risk events by entering the corresponding information into the Group's database of operational risk events;
- This overview of the Group's operational risk events allows the Group to specify the direction of the steps and processes to take in order to limit these risks, as well as to make decisions with regard to:
    - accepting the individual risks that are faced;
    - initiating processes leading to limitation of possible impacts; or
    - decreasing the scope of the relevant activity or discontinuing it entirely.

51. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

(a) Acquisitions of subsidiaries, associates and joint ventures, contributions to subsidiaries capital

Contributions to subsidiaries' capital in 2024	Date of contribution	Acquisition cost
ATLANTIK finanční trhy, a.s.	30/07/2024	35
	Total	***35***

Contributions to subsidiaries' capital in 2023	Date of contribution	Acquisition cost
J&T ORBIT SICAV, a.s.	19/01/2023	792
J&T ORBIT SICAV, a.s.	28/02/2023	173
AMISTA investiční společnost, a.s.	27/09/2023	2
J&T Leasingová společnost, a.s.	14/12/2023	200
	Total	***1,167***

Contribution to capital of subsidiaries does not represent cash outflow from the Group.

In 2024, the Group acquired control of the J&T NextGen otevřený podílový fond through an interest of 24.95% and began to fully consolidate the fund; see note 37 for information on non-controlling interests.

The Group did not acquire any new subsidiary in 2024 and 2023, respectively.

(b) Formation/establishment of subsidiaries and joint ventures

The Group did not establish any new subsidiaries or joint ventures in 2024 and 2023, respectively.

Disposals of subsidiaries

Disposal of subsidiaries in 2024	Date of disposal	Net assets disposed less NCI
Rentalit, s.r.o.	30/12/2024	(153)
	Total	***(153)***

Effect of disposal of subsidiaries

	2024
Net identifiable assets	**(153)**
Consideration received	39
Total effect	**(114)**
Consideration received in cash	39
Cash and cash equivalents disposed of / deconsolidated	(39)
Net cash inflow	**-**

Disposal of subsidiaries in 2023	Date of disposal	Net assets disposed less NCI
ALTERNATIVE UPRAVLJANJE d.o.o.	17/01/2023	22
J&T Bank, a.o.	14/11/2023	
Interznanie OAO	14/11/2023	432
TERCES MANAGEMENT LIMITED	14/11/2023	
FVE Holding, s.r.o.	20/12/2023	
FVE Čejkovice s.r.o.	20/12/2023	
FVE Napajedla s.r.o.	20/12/2023	73
FVE Němčice s.r.o.	20/12/2023	
FVE Slušovice s.r.o.	20/12/2023	
J&T Recycle, s.r.o.	20/12/2023	
	Total	***527***

Effect of disposal of subsidiaries

	2023
Cash and cash equivalents	(133)
Financial assets at fair value through other comprehensive income	(4)
Property, plant and equipment	(763)
Current income tax receivables	(10)
Deferred tax asset	(15)
Other assets	(74)
Disposal group held for sale	(3,085)
Total assets	***(4,084)***
Deposits and loans from banks	(864)
Derivatives	(21)
Other liabilities	(19)
Deferred tax liability	(1)
Liabilities associated with assets held for sale	(2,652)
Total liabilities	***(3,557)***
Net identifiable assets and liabilities	**527**
Consideration received	1,147
Cumulative income and expense included in other comprehensive income reclassified to profit or loss	(1,503)
Total effect	**(883)**
Consideration received in cash	785
Cash and cash equivalents disposed of / deconsolidated	(133)
Net cash inflow	**652**

(d) Disposals of associates and joint ventures

In 2024, the Group did not carry out any significant sales of associates and joint ventures.

In 2023, the Group disposed of XT-card a.s.

Disposal of associates in 2023	Date of disposal	Net assets disposed less NCI
XT-Card a.s.	23/08/2023	(10)
	Total	***(10)***

52. INVESTMENT IN EQUITY ACCOUNTED INVESTEES

The Group has no investments in equity accounted investees as at 31 December 2024 and 31 December 2023, respectively.

53. SUBSEQUENT EVENTS

The Group has not recorded any subsequent material events after the date of issue of these consolidated financial statements.

SEPARATE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024
PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION

(Translation of a report originally issued in Czech)

The report below is an unsigned translation of an independent auditor's report which relates solely and exclusively to the Annual Financial Report prepared in XHTML format dated on 3 April 2025.

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of J&T BANKA, a.s.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of J&T BANKA, a.s. (hereinafter also the "Company" or the "Bank") prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information. For details of the Company, see Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of J&T BANKA, a.s. 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.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and 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 clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Expected credit losses for loans and advances to customers at amortised cost

Loans at amortised cost represent a significant component of the financial statements, totaling CZK 112 148 million and constituting 36% of total assets as of 31 December 2024. The associated expected credit losses ("ECL") were reported at CZK 2 797 million as of 31 December 2024.

Material errors in the financial statements may arise from misstatements in ECL. Credit impairment is an area with a high degree of subjectivity because of the level of judgement exercised by management in determining the ECL. Identifying impairments and determining recoverable amounts are inherently uncertain processes, involving various assumptions and factors such as the financial condition of the counterparty, anticipated future cash flows, and projected net selling prices of collaterals.

In accordance with IFRS 9 Financial Instruments, loans are categorized into one of three stages to estimate loss allowances. Stage 1 and Stage 2 loans are considered performing, with Stage 2 loans indicating a significant increase in credit risk since origination. Stage 3 loans are classified as non-performing and credit-impaired. Portfolios that present the greatest uncertainty usually include those where impairments are based on estimates of future cash flows and the realizable value of collateral, those that are unsecured, or those facing potential collateral shortfalls.

The key assumptions and judgements in the calculation of the ECLs include:

- Application of the definition of default and significant increase in credit risk ("SICR");
- Model parameters such as probability of default ("PD"), loss given default ("LGD"), and exposure at default ("EAD");
- Integration of selected forward-looking information ("FLI") based on various macroeconomic scenarios;
- Development of future cash repayment scenarios and related probabilities, while also considering the realizable value of underlying collateral;
- Credit conversion factor ("CCF") for off-balance sheet exposures; and
- Adjustments to ECLs through management overlays.

Our audit approach to testing of credit risk provisioning processes involved the following procedures.

We evaluated the design, implementation, and operational effectiveness of selected controls over the approval, recording, and monitoring process of loans and advances. Given that the ECL calculation conducted on a portfolio basis depends on various IT applications, we engaged internal specialists to support the testing of the IT control environment. This included assessments of data security, access controls, and IT application controls related to the process.

We performed a detailed analytical review of the credit portfolio, examining its structure and characteristics, as well as the allowances and provisions for credit impairment to understand the development of the portfolio compared to the prior year, budgets and the Bank's risk management strategies.

For ECLs calculated on a portfolio basis, management engaged an external expert to review the methodologies, inputs, and assumptions used, such as the probability of loss, loss given default, significant changes in credit risk, and forward-looking elements. Our credit risk specialists assisted us in evaluating the results of the work performed by the management's expert. Additionally, we assessed any significant overlays or in-model adjustments that management applied in addition to the portfolio ECLs calculated by the model.

When evaluating the ECL calculated on an individual basis, our strategy included selecting a sample of credit exposures for a detailed review of the ECL calculation and a review of credit files to understand the management's assumptions behind impairment identification and quantification. We conducted an evaluation of the classification of exposures at their respective stages and examined whether the definitions of default, SICR and staging criteria were consistently applied by the Bank. Additionally, we assessed the Bank's assumptions regarding expected future cash flows, including evaluating the realizable value of collateral using available market information and consulting internal specialists when necessary.

Considering the economic uncertainties and risks in the global economy, estimating FLI demands significant judgement. To account for these uncertainties, management must decide whether to adjust its standard process for incorporating macroeconomic variables into the ECL model and forecasting methods, either by modifying the macroeconomic variables or by including management overlays.

Due to the significance of loans at amortised cost and the related estimation uncertainty that is present in the calculation of ECL, this is considered a key audit matter.

We also reviewed the back-testing analysis prepared by the Bank, following up on any significant discrepancies between the actual loss provisions and those calculated by the model.

In addition, we assessed the adequacy of the relevant disclosures 3a) Financial assets and liabilities, 4 Accounting estimates and assumptions and 41 Credit risk in the financial statements to ensure that such disclosures are in line with the requirements of IFRS Accounting Standards as adopted by the European Union.

Other Matters

The financial statements of the Company for the year ended 31 December 2023 were audited by another auditor, who expressed an unmodified opinion on those financial statements on 28 March 2024.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Financial Report (hereinafter also the "Annual Report") other than the financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information except for the sustainability statement has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information except for 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 financial statements is, in all material respects, consistent with the financial statements; and
- The other information except for 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 Company obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process. The Audit Committee is responsible for monitoring the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors, 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of Auditor and Period of Engagement

We were appointed as the Auditors of the Company by the Sole Shareholder Resolution on 19 July 2023. This is our first year as the auditor of the Company.

Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 3 April 2025 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company. 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 financial statements.

Statutory auditor responsible for the engagement

Roman Hauptfleisch is the statutory auditor responsible for the audit of the financial statements of the Company as at 31 December 2024 based on which this independent auditor's report has been prepared.

Report on Compliance with the ESEF Regulation

We have performed a reasonable assurance engagement on the compliance of the financial statements included in the Annual Report with the provisions of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single reporting electronic format (the "ESEF Regulation"), applicable to the financial statements.

Responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the preparation of the financial statements in accordance with the ESEF Regulation. In particular, the Company's Board of Directors is responsible for:

- The design, implementation and maintenance of internal control relevant to the application of the ESEF Regulation;

- The preparation of the financial statements included in the Annual Report in the applicable XHTML format.

Auditor’s Responsibilities

Our responsibility is to express, based on the evidence obtained, an opinion on whether the financial statements included in the Annual Report comply, in all material respects, with the ESEF Regulation. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) – “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (“ISAE 3000”).

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high level of assurance but is not a guarantee that an assurance engagement performed in accordance with ISAE 3000 will always detect any existing material non-compliance with the ESEF Regulation.

Our selected procedures included mainly the following:

- Obtaining an understanding of the requirements of the ESEF Regulation;
- Obtaining an understanding of the Company's internal control relevant to the application of the ESEF Regulation;
- Identifying and assessing the risks of material non-compliance with the ESEF Regulation, whether due to fraud or error; and
- Based on the above, designing and performing procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The objective of our procedures was to evaluate whether the financial statements included in the Annual Report were prepared in the applicable XHTML format.

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 Report are, in all material respects, in compliance with the ESEF Regulation.

Ernst & Young Audit, s.r.o.
License No. 401

Roman Hauptfleisch, Auditor
License No. 2009

3 April 2025
Prague, Czech Republic

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Note	2024	2023
Interest income calculated using effective interest rate method	6	18,183	16,914
Other interest income	6	382	356
Interest expense	7	(10,418)	(8,125)
Net interest income		***8,147***	***9,145***
Fee and commission income	8	2,373	1,752
Fee and commission expense	9	(398)	(303)
Net fee and commission income		***1,975***	***1,449***
Dividends from ownership interests		624	260
Net income from trading and investments	10	1,086	2,093
Other operating income	11	76	253
Operating income		***11,908***	***13,200***
Personnel expenses	12	(1,694)	(1,564)
Depreciation and amortisation	24, 25	(158)	(211)
Other operating expenses	13	(2,167)	(1,791)
Operating expenses		***(4,019)***	***(3,566)***
Profit before allowances, provisions and income tax		***7,889***	***9,634***
Loss from loans and other receivables	23, 33	(254)	(42)
Net change in loss allowances for financial instruments	23, 17	212	(1,021)
Net change in allowances for ownership interests	1	-	(742)
Profit before tax		***7,847***	***7,829***
Income tax	14	(1,495)	(1,508)
Profit for the period		***6,352***	***6,321***
Profit for the year attributable to:			
Shareholders of the Bank		6,352	*6,321*
Profit for the period		***6,352***	***6,321***

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	2024	2023
Other comprehensive income – items that are or may be reclassified subsequently to profit or loss:		
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments		
Remeasurement to fair value	*(5)*	*(40)*
Expected credit losses	*5*	*(68)*
Related tax	*-*	*(6)*
Foreign currency translation differences	(5)	11
Other comprehensive income – items that will not be reclassified to profit or loss in subsequent periods:		
Revaluation reserve – financial assets at fair value through other comprehensive income – equity instruments		
Remeasurement to fair value	*51*	*50*
Related tax	*(14)*	*-*
Other comprehensive income for the period, net of tax	***32***	***(53)***
Total comprehensive income for the period	***6,384***	***6,268***

The notes set out on the following pages form an integral part of these separate financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

in millions of CZK	Note	31/12/2024	31/12/2023
Assets			
Cash and cash equivalents	16	117,990	139,968
Due from banks and other financial institutions	17	219	271
Positive fair value of derivatives	18	3,314	4,777
Investment securities for trading	19a	7,235	4,940
Investment securities measured at fair value through profit or loss	19b	9,833	9,214
Investment securities measured at fair value through other comprehensive income	19c	9,724	10,783
Investment securities at amortised cost	19d	29,154	4,540
- of which pledged as collateral (repurchase agreements)	*20*	*4,724*	*4,338*
Loans and advances to customers at amortised cost	21	109,351	100,270
Ownership interests	1	2,740	2,663
Property, plant and equipment	24	1,318	1,451
Intangible assets	25	2	88
Current income tax receivables	14	341	-
Deferred tax asset	15	479	673
Other assets	27	23,184	9,798
Total assets		***314,884***	***289,436***
Liabilities			
Deposits and loans from banks	28	6,763	8,256
Deposits from customers	29	227,136	216,733
Negative fair value of derivatives	18	1,623	2,435
Issued investment securities	30	3,349	3,287
Subordinated debt	31	4,619	1,256
Provisions	33	1,823	1,562
Current tax liability	14	-	1,142
Other liabilities	32	30,016	15,075
Total liabilities		***275,329***	***249,746***
Share capital	34	10,638	10,638
Retained earnings and other reserves	34	21,624	20,184
Other equity instruments	34	7,293	8,868
Total equity		***39,555***	***39,690***
Total equity and liabilities		***314,884***	***289,436***

The notes set out on the following pages form an integral part of these separate financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Share capital	Retained earnings	Additional contribution to capital funds	Perpetuity fund	Revaluation reserve	Other equity instruments	**Total**
Balance as at 1 January 2023	***10,638***	***12,461***	***2,913***	***181***	***(7)***	***8,868***	***35,054***
Total comprehensive income for the period							
Profit for the period	-	6,321	-	-	-	-	**6,321**
Dividends	-	(1,000)	-	-	-	-	**(1,000)**
Payment of earnings from investment certificates	-	-	-	(632)	-	-	**(632)**
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(772)	-	772	-	-	**-**
Other comprehensive income – items that will be reclassified to profit or loss in subsequent periods:							
Foreign exchange differences	-	-	-	-	11	-	**11**
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments							
Remeasurement to fair value	-	-	-	-	(40)	-	**(40)**
Expected credit losses	-	-	-	-	(68)	-	**(68)**
Related tax	-	-	-	-	(6)	-	**(6)**
Other comprehensive income – items that will not be reclassified to profit or loss in subsequent periods:							
Revaluation reserve – financial assets at fair value through other comprehensive income – equity instruments							
Remeasurement to fair value	-	-	-	-	50	-	**50**
Balance as at 31 December 2023	***10,638***	***17,010***	***2,913***	***321***	***(60)***	***8,868***	***39,690***
Balance as at 1 January 2024	***10,638***	***17,010***	***2,913***	***321***	***(60)***	***8,868***	***39,690***
Total comprehensive income for the period							
Profit for the period	-	6,352	-	-	-	-	**6,352**
Dividends	-	(4,300)	-	-	-	-	**(4,300)**
Payment of earnings from investment certificates	-	-	-	(644)	-	-	**(644)**
Redemption of investment certificates	-	-	-	-	-	(1,575)	**(1,575)**
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(670)	-	670	-	-	**-**
Other comprehensive income – items that will be reclassified to profit or loss in subsequent periods:							
Foreign exchange differences	-	-	-	-	(5)	-	**(5)**
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments							
Remeasurement to fair value	-	-	-	-	(5)	-	**(5)**
Expected credit losses	-	-	-	-	5	-	**5**
Related tax	-	-	-	-	-	-	**-**
Other comprehensive income – items that will not be reclassified to profit or loss in subsequent periods:							
Revaluation reserve – financial assets at fair value through other comprehensive income – equity instruments							
Remeasurement to fair value	-	-	-	-	51	-	**51**
Related tax	-	-	-	-	(14)	-	**(14)**
Balance as at 31 December 2024	***10,638***	***18,392***	***2,913***	***347***	***(28)***	***7,293***	***39,555***

Further information about equity instruments is disclosed in note 34. The notes set out on the following pages form an integral part of these separate financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Note	2024	2023 (restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		7,847	7,829
Adjustments for:			
Depreciation and amortisation	24, 25	159	211
Loss from loans and other receivables	23, 33	254	42
Net change in loss allowances for financial instruments	23	(212)	1,021
Net profit from the sale of property, plant and equipment and intangible assets	24, 25	-	182
Other changes in property, plant and equipment	24	(17)	89
Change in other provisions		70	84
Change in revaluation of investment securities at fair value through profit or loss		(182)	(318)
Fair value hedge of ownership interests		(42)	(60)
Creation of allowances for ownership interests	1	-	1,207
Disposal of carrying value of ownership interests		-	251
Net unrealised foreign exchange (gains) / losses		(353)	(447)
(Increase) / decrease in operating assets			
Due from banks and other financial institutions	17	52	216
Loans and other advances to customers		(8,910)	2,302
Investment securities at fair value through profit or loss		(2,630)	1,547
Investment securities at amortised cost – accrued interest		(138)	(11)
Other assets		(13,268)	(7,427)
Increase / (decrease) in operating liabilities:			
Deposits and loans from banks	28	(1,493)	(264)
Deposits from customers	29	10,403	57,158
Other liabilities		15,090	5,164
Net increase / (decrease) in fair values of derivatives			
Fair value of derivative instruments	18	651	501
Tax effect			
Income taxes paid		(2,793)	(1,626)
Net cash flows from operating activities		***4,488***	***67,651***

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Note	2024	2023 (restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase and disposal of property plant and equipment and intangible assets		83	(153)
Ownership interests – capital contributions	1	(35)	(1,157)
Proceeds from the sale of ownership interests		-	360
Investment securities at amortised cost – purchases		(24,484)	-
Investment securities at fair value through other comprehensive income – sales		3,857	12
Investment securities at fair value through other comprehensive income – purchases		(2,757)	(5,918)
Net cash flows used in investing activities		***(23,336)***	***(6,856)***
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issued investment securities	35	24	2,967
Repayment of issued investment securities	35	(12)	-
Dividends paid	34	(4,300)	(1,000)
Distribution of income from other equity instruments	34	(644)	(632)
Redemption of investment certificates	34	(1,575)	-
Proceeds from subordinated debt issue	35	3,371	1,000
Repayment of subordinated debt	35	(22)	-
Lease liabilities paid	35	(82)	(124)
Net cash flows from financing activities		***(3,240)***	***2,211***
Increase / (decrease) in cash and cash equivalents		(22,088)	63,006
Effects of exchange rate fluctuations on cash and cash equivalents held		110	158
Cash and cash equivalents at beginning of period	16	139,968	76,804
Cash and cash equivalents at end of period	**16**	**117,990**	**139,968**
Cash flows from operating activities include:			
Interest received		17,333	15,797
Interest paid		(7,611)	(7,140)
Interest paid – lease liabilities		(3)	(2)
Dividends received		466	391

The notes set out on the following pages form an integral part of these separate financial statements.

The Board of Directors approved these financial statements on 3 April 2025.

Signed on behalf of the Board:

Ing. Michal Kubeš
Member of the Board of Directors

Ing. Jan Kotek
Member of the Board of Directors

1. GENERAL INFORMATION

J&T BANKA, a.s. ("the Bank") is a joint stock company incorporated on 13 October 1992 in the Czech Republic.

The Bank received a licence to act as securities trader on 25 April 2003 and on 22 December 2003, the Bank's licence was extended to include that activity. The Bank's activities are focused on private, investment, corporate and retail banking.

The Bank is subject to the regulatory requirements of the Czech National Bank ("CNB"). These requirements include limits and other restrictions concerning capital adequacy, other ratios set by CNB, classification of loans and off-balance sheet liabilities, large exposure, liquidity and the Bank's foreign currency position etc.

Since 2020, the Bank has had its registered office at Sokolovská 700/113a, 186 00 Prague 8.

The Bank (including its branches in the Slovak Republic and Germany) had the average of 709 employees in 2024 (2023: 698). The Bank operates in the Czech Republic, the Slovak Republic and Germany.

A Slovak branch of the Bank was established on 23 November 2005, and was registered in the Commercial Register of the District Court Bratislava I, section Po, file 1320/B as the organizational unit "J&T BANKA, a.s., pobočka zahraniční banky", Dvořákovo nábrežie 8, 811 02 Bratislava, and with the identification number 35 964 693.

A German branch of the Bank was established on 21 September 2022, and was registered in the Commercial Register of the District Court of Frankfurt am Main as the organizational unit "J&T BANKA, a.s. Zweigniederlassung Deutschland", Franklinstraße 56, 60486 Frankfurt am Main, and with the identification number HRB 128706. The German branch of the Bank operates under the brand J&T Direktbank, as a fully digital bank since 27 February 2023.

The Bank's ultimate parent is J&T FINANCE GROUP SE owned by Jozef Tkáč (45.05%), Ivan Jakabovič (35.15%), Rainbow Wisdom Investments Limited (9.90%), Štěpán Ašer (4.95%) and Igor Kováč (4.95%).

Ownership interests

In connection with the shareholder's intention to centralise financial services under the Bank, the following companies have become subsidiaries of the Bank. The Bank provides customers with comprehensive banking services, asset management, financial and capital market transactions for the retail segment, as well as support to start-up and restructuring projects. The Bank assumes that all of the subsidiaries lead their business actively and contribute to the Bank's growth of profitability.

Balance as at 31/12/2024 (in millions of CZK)

Company	Net balance	Impair-ment	Share capital	% Shareholding	Principal activities	Country of incorporation
AMISTA consulting, s.r.o.	1	-	0.70	80	Advisory activities	CR
AMISTA investiční společnost, a.s.	138	-	9	80	Investment act.	CR
ATLANTIK finanční trhy, a.s.	75	(192)	38	100	Investment act.	CR
J&T banka d.d.	309	(664)	1,093	100	Banking activities	Croatia
J&T IB and Capital Markets, a.s.	2	-	2	100	Advisory activities	CR
J&T INVESTIČNÍ SPOLEČNOST, a.s.	149	-	20	100	Investment act.	CR
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	8	-	3	100	Investment act.	SR
J&T Leasingová společnost, a.s.	-	(670)	32	100	Financing activities	CR
J&T ORBIT SICAV, a. s.	993	-	-	92.33	Investment act.	CR
J&T RFI I., s.r.o.	38	-	0.20	100	Advisory activities	CR
J&T VENTURES I otevřený podílový fond	83	-	-	94.05	Investment act.	CR
Rustonka Development II s.r.o.	944	-	0.10	100	Investment property	CR
Total	***2,740***	***(1,526)***				

On 30 July 2024, the Bank increased its share in ATLANTIK finanční trhy, a.s., through a contribution with a total nominal value of CZK 35 million in excess of contributions made by the shareholders in the share capital.

In 2024, the Bank neither created nor released any provisions for ownership interests.

During 2024 and 2023, no restrictions applied to the ownership rights held over subsidiaries in EU.

Balance as at 31/12/2023 (in millions of CZK)

Company	Net balance	Impair-ment	Share capital	% Shareholding	Principal activities	Country of incorporation
AMISTA consulting, s.r.o.	1	-	0.70	80	Advisory activities	CR
AMISTA investiční společnost, a.s.	138	-	9	80	Investment act.	CR
ATLANTIK finanční trhy, a.s.	40	(192)	38	100	Investment act.	CR
J&T banka d.d.	303	(652)	1,073	100	Banking activities	Croatia
J&T IB and Capital Markets, a.s.	2	-	2	100	Advisory activities	CR
J&T INVESTIČNÍ SPOLEČNOST, a.s.	149	-	20	100	Investment act.	CR
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	8	-	3	100	Investment act.	SR
J&T Leasingová společnost, a.s.	-	(670)	32	100	Financing activities	CR
J&T ORBIT SICAV, a. s.	975	-	0.10	92.33	Investment act.	CR
J&T RFI I., s.r.o.	37	-	0.20	100	Advisory activities	CR
J&T VENTURES I otevřený podílový fond	83	-	-	94.05	Investment act.	CR
Rustonka Development II s.r.o.	927	-	0.09	100	Investment property	CR
Total	***2,663***	***(1,514)***				

On 1 January 2023, Croatia adopted the Euro as its currency at a conversion rate of 1 euro for 7.53450 Croatian kuna. As a result, the Bank converged ownership interest in J&T banka d.d. and ALTERNATIVE UPRAVLJANJE d.o.o. from HRK to EUR on 1 January 2023. There was not recorded any profit or loss from this conversion in balances of the Bank.

On 17 January 2023, ALTERNATIVE UPRAVLJANJE d.o.o. was liquidated and deleted from the court register in Croatia. Residual capital reserves of EUR 371 thousand were paid to the the Bank as the sole shareholder on 19 January 2023.

On 19 January 2023, the Bank purchased shares in J&T ORBIT SICAV in the total nominal value of EUR 32 million (CZK 792 million). On 28 February 2023, the Bank purchased additional shares in total nominal value of EUR 7 million (CZK 173 million).

On 27 September 2023, the Bank increased its share in AMISTA investiční společnost, a.s. through a contribution with a total nominal value of CZK 1.6 million in excess of contributions made by the shareholders in the share capital.

On 14 November 2023, the Bank completed the sale of its total share of 99.95% in J&T Bank, a.o. and 99% in TERCES MANAGEMENT LIMITED. The Bank planned the sale of those subsidiaries in previous years and regularly monitored the estimated transaction price of the sale. Those estimations were reflected in the amount of loss allowances held related to those ownership interests on a monthly basis during 2023. Change of loss allowances related to sold subsidiaries during 2023 amounted of CZK 62 million. In 2023, the foreign exchange difference from the total loss allowances held related to those subsidiaries denominated in USD and RUB was positive, CZK 273 million. The usage of loss allowances when the sale was proceeded presented the amount of CZK 1,486 million. The final impact from the sale of both subsidiaries is presented as Operating income of total amount CZK 144 million, note 11.

On 14 December 2023, the Bank increased its share in J&T Leasingová společnost, a.s. through a contribution with a total nominal value of CZK 200 million in excess of contributions made by the shareholders in the share capital.

During 2023, the Bank recognised net impairment losses for ownership interests of CZK 742 million that primarily includes net change in allowances related to J&T Leasingová společnost, a.s. of CZK 670 million and to J&T Bank, a.o. and TERCES MANAGEMENT LIMITED of CZK 62 million. The remaining balance CZK 10 million relates to J&T Banka d.d.

2. BASIS OF PREPARATION

(a) Statement of compliance

The unconsolidated financial statements comprise the accounts of the members of the Bank and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union for the reporting period of 1 January 2024 to 31 December 2024 ("reporting period").

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention except for financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivatives, which are measured at fair value.

In 2024, the Bank proceeded to adjust the names of selected captions in the statement of comprehensive income and the statement of financial position to more accurately describe their content. The adjustments made did not impact the content of individual items, and therefore it was not necessary to adjust the comparative balances. Examples of such adjustments include changes in the statement of financial position where "Investment securities" were used instead of "Financial assets" for securities, and "Debt securities issued" were replaced with "Issued investment securities"; or in the income statement, "Loss from changes of loans and other receivables" was changed to "Loss from loans and other receivables", etc. More detailed adjustments to the statement of cash flows are presented in note 35.

The stated accounting methods have been applied consistently in all periods presented in these financial statements.

In particular, information about significant areas of uncertainty estimation and critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the financial statements are described in note 4.

The Bank's financial statements have been prepared on a going concern basis.

The following standards, amendments to the standards and interpretations are effective for the first time for the period beginning 1 January 2024 and have been applied to the preparation of the Bank's separate financial statements:

Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current

The amendments become effective for annual reporting periods beginning on or after 1 January 2024, applied retrospectively.

The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The amendments become effective for annual reporting periods beginning on or after 1 January 2024.

The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines "lease payments" or "revised lease payments" in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments are effective for annual reporting periods beginning on or after 1 January 2024.

The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose as at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements.

These adjustments, effective for the first time for the year beginning 1 January 2024, did not have any material impact on the separate financial statements of the Bank.

The standards/amendments issued that are not yet effective but have already been endorsed by the European Union and which the Bank has not applied before their effective date

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted.

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

The Bank expects that the Standard will not have a significant effect on the separate financial statements of the Bank.

The standards/amendments that are not yet effective and they have not yet been endorsed by the European Union

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

The amendments become effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The amendments clarify that a financial liability is derecognised at the "settlement date" when the obligation is discharged, cancelled, expires or otherwise qualifies for derecognition. An accounting policy choice is introduced to derecognise liabilities settled through electronic payment systems before the settlement date, subject to certain conditions. The amendments also provide guidance for assessing the contractual cash flow characteristics of financial assets that contain environmental, social or governance (ESG) features or other similar contingent features. Additionally, the amendments clarify the treatment of non-recourse assets and contractually linked instruments and require additional disclosures under IFRS 7 for financial assets and liabilities with references to contingent events (including ESG references) and equity instruments measured at fair value through other comprehensive income.

IFRS 18 Presentation and Disclosure in Financial Statements

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 18 introduces new requirements for an entity to classify all items of income and expense in its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are complemented by requirements to present subtotals and totals for "operating profit or loss", "profit or loss before financing and income taxes" and "profit or loss". In addition, the standard requires disclosure of management-defined performance measures and includes new requirements for aggregating and disaggregating financial information based on identified "roles" in the financial statements and notes to the financial statements. Beyond this standard, there will be related amendments to other accounting standards.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 19 allows subsidiaries without public accountability to apply reduced disclosure requirements if their parent company (ultimate or direct or indirect) produces consolidated financial statements available for public use that comply with IFRS. These subsidiaries must continue to apply the recognition, measurement and presentation requirements in other IFRS. Unless specified otherwise, the entities that choose to implement IFRS 19 will not need to apply the disclosure requirements in other IFRS.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The Bank does not expect these new standards to have a significant impact on the Bank's individual financial statements.

Other new International Financial Reporting Standards and Interpretations not yet effective

The Bank has not early adopted any IFRS standards where adoption is not mandatory at the statement of financial position date. Where transition provisions in adopted IFRS give an entity the choice of whether to apply new standards prospectively or retrospectively, the Bank elects to apply the standards prospectively from the date of transition. The management of the Bank does not expect that further new standards will have any significant impact on the financial statements of the Bank.

(c) Currency

The accompanying financial statements are presented in the national currency of the Czech Republic, the Czech crown ("CZK"), which is the Bank's functional and presentation currency, rounded to the nearest million; it is the functional currency of the Bank's head office in the Czech Republic as well. The functional currency of the Slovak and German branch is the Euro ("EUR").

3. MATERIAL ACCOUNTING POLICIES

The particular accounting policies adopted in preparation of the accompanying financial statements are described below.

(a) Financial assets and liabilities

Classification and measurement of financial assets and liabilities

Financial assets

The Bank assesses the classification and measurement of a financial asset based on:

- the Bank 's business model for managing the asset; and
- the contractual cash flow characteristics of the asset ("SPPI – solely payments of principal and interest on the principal outstanding").

The Bank's business models determine whether cash flows will result from holding financial assets, selling financial assets or both. The Bank defines business models and its classification as follows:

- "Hold and collect" – financial assets at amortised costs (AC);
- "Hold, collect and sell" – financial assets at fair value through other comprehensive income (FVOCI);
- "Trading" – financial assets at fair value through profit and loss (FVTPL);
- "Fair value of non-traded assets" – non-traded financial assets mandatorily measured at fair value through profit or loss;
- "Fair value option" – financial assets measured at fair value through profit or loss;

Financial assets at amortised cost

Financial assets can be measured at amortised cost if they meet the criteria set by the so-called SPPI test. The test is met if the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets of the Bank that are held under the "Hold and collect" strategy and simultaneously meet the SPPI test criteria are measured at amortised cost. Examples of such financial assets include loans, investment securities at amortised cost, and trade receivables.

Financial assets at fair value through other comprehensive income

In order to be classified as FVOCI, the asset must be either:

- a debt instrument held under the "Hold, collect and sell" strategy, where the objective is to collect contractual cash flows from holding it but also from its potential sale, and simultaneously meets the criteria set by the SPPI test;
- an equity instrument that does not meet the SPPI test criteria but is not held for trading purposes and the Bank elects to measure such instrument at fair value through other comprehensive income.

Financial instruments at fair value through profit or loss

Financial assets that the Bank holds under the "Trading" strategy are actively traded in financial markets and the Bank measures them at fair value through profit or loss. Such typical financial assets include investment securities for trading and derivatives.

Equity instruments that are not held for trading and for which the option to measure at fair value through other comprehensive income has not been elected are also measured at fair value through profit or loss, as well as financial assets that are held for the purpose of holding and collecting, or holding and collecting and selling, but which have not passed through the SPPI test and cannot be measured at AC or FVOCI. These assets are classified under the "Fair value of non-traded assets" model.

In addition, the Bank may irrevocably elect to designate a financial asset at fair value through profit or loss at initial recognition to eliminate or significantly reduce measurement or recognition inconsistencies (sometimes referred to as "accounting mismatches") that would otherwise arise from the measurement of assets or liabilities or from the recognition of gains and losses using a different basis. This is the "Fair value option" business model strategy.

Financial liabilities

Financial liabilities are classified and measured at amortised cost with the exception of:

- financial liabilities held for trading including derivatives – these are measured at FVTPL;
- financial liabilities irrevocably designated at fair value through profit or loss.

Initial recognition

Initial recognition of financial assets/liabilities at amortised cost is performed by the Bank on the settlement date at fair value. The fair value is adjusted for transaction costs directly attributable to the acquisition or issue of the financial asset/liability. Trade receivables without a significant financial component are recognised at the transaction price.

Financial assets at FVTPL are recognised on the date the Bank commits to purchase the assets. From this date, any gains or losses (excluding exchange differences) arising from changes in the fair value of the assets are recognised in the income statement. Transaction costs related to the acquisition of financial assets at fair value through profit or loss are recognised directly in profit or loss.

Financial assets classified at FVOCI are recognised on the date the Bank commits to purchase the assets. From this date, all expenses and income arising from changes in the fair value of these assets are recognised in equity as revaluation differences of assets and liabilities, except for foreign exchange revaluation of debt financial instruments, which is recognised in profit or loss. The fair value at acquisition is adjusted for transaction costs related to the acquisition of these financial assets.

Subsequent measurement

Financial assets measured at amortised cost are, after initial recognition, measured at amortised cost less expected credit loss (ECL).

All financial assets measured at fair value through profit or loss and all financial assets measured at fair value through other comprehensive income are, after initial recognition, measured at fair value according to note 4.

Gains and losses from subsequent remeasurement of financial assets measured at fair value through profit or loss are recognised in profit or loss as part of Net income from trading and investments. Gains and losses from remeasurement of financial assets at fair value through other comprehensive income (except for foreign exchange differences on debt instruments, which are recognised in profit or loss) are recognised directly in equity as differences arising from the revaluation of assets and liabilities.

Derecognition

A financial asset is derecognised in the event the Bank's contractual rights to cash flows from financial assets expire, or the Bank transfers the rights to receive contractual cash flows in a transaction in which all the risks and rewards of ownership are transferred and it does not retain control over the financial asset. Upon derecognition of a financial asset at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss. For debt instruments measured at fair value through other comprehensive income, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss. For equity instruments measured at fair value through other comprehensive income, cumulative gains and losses previously recognised in other comprehensive income are not reclassified to profit or loss upon derecognition.

Financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are, in the event of their sale, derecognised as at the date on which the Bank undertakes to sell these assets.

Investment securities at amortised costs and provided loans and receivables are derecognised on the date the Bank sold them.

Upon derecognition, the difference between the asset's carrying amount, and the sum of the consideration received and any cumulative gain or loss previously recorded in other comprehensive income is recognised in profit or loss.

Reclassification

If the strategy under which the Bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Bank's financial assets.

Impairment

The Bank uses the expected credit losses (ECL) model. The impairment model is applied to financial assets measured at amortised cost, debt instruments measured at FVOCI, and loan commitments and financial guarantees measured at amortised cost.

For the purposes of ECL model calculation, the portfolio of financial assets is split into three segments (Stage 1, 2, 3) or in the group of financial assets that are impaired at the date of the initial recognition – Purchased or originated credit-impaired assets (POCI). At the date of the initial recognition, the financial asset is included in Stage 1 or classified as POCI and recorded in Stage 3. Reclassification between Stage 1 and Stage 3 is carried out based on the rate of increase in credit risk, i.e. the probability of default of an asset from the moment of initial recognition to the date of preparation of the financial statements.

Stage 1

- initial recognition of a financial asset – the creation of a credit loss for 12-months ECL;
- 12-month ECLs – all discounted cash flows that are not expected to be received until maturity of the financial asset that result from possible default events within the 12 months after the reporting date compared to the contractual cash flows of the financial asset;
- interest income is calculated using the asset's gross carrying amount (GCA).

Stage 2

- if the credit risk increases significantly from the initial recognition of the financial asset, the financial asset is reclassified to Stage 2;
- lifetime ECLs are used to calculate impairment;
- interest income is calculated using the asset's GCA.

Stage 3

- the credit quality of the financial asset has significantly deteriorated and resulted in a credit loss or permanent impairment of the asset;
- lifetime ECLs are used to calculate impairment;
- interest income should be calculated from net amortised costs, i.e. from the GCA decreased by ECLs.

Financial assets with low credit risk

The credit risk of a financial instrument is considered to be low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily reduce the ability of the borrower to fulfil its contractual cash flow obligations. Hedging does not affect a decision on whether or not an asset is classified as having a low risk of default.

Expected credit losses over the remaining life of a financial instrument are not recorded solely due to the fact that it was considered to be a low-risk financial instrument in the previous financial year but due to this assessment at the end of reporting period. In this case, the Bank determines whether there has been a significant increase in credit risk.

Purchased or originated credit-impaired financial assets (POCI)

In addition to purchased defaulted loans, POCI may arise as a result of the restructuring of borrowers in financial difficulties that lead to significant changes in the terms of the loan and result in derecognition. Apart from the recognition of losses arising from significant changes in the contractual terms of a loan, no losses are initially recorded, without distinguishing between 12-month and lifetime ECLs. Initial ECL over the lifetime is taken into account in the EIR which takes into account credit risk of counterparty that is subsequently used to record interest revenue. Subsequent changes in the ECL are recorded against the impairment loss/gain and loss allowance. These assets are categorized separately as POCI and remain so for the entire period of the holding.

Significant increase in credit risk

A significant increase in credit risk (SICR) represents a significant increase in the risk of default in respect of a financial asset as at the reporting date compared with the risk as at the date of initial recognition.

When determining SICR, the Bank adheres to the requirements of IFRS 9. These requirements are based on an assumption that the credit risk usually increases significantly before a financial asset becomes past due or other lagging factors (e.g. restructuring) are observed. At each reporting date of a financial asset, the Bank will assess whether the credit risk of a financial assets has increased significantly since its initial recognition or not.

The Bank may assume that the credit risk associated with the financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

When determining SICR on a financial asset since its initial recognition, the Bank uses reasonable and supportable information that is relevant and available without undue cost or effort.

Quantitative factors to be considered in assessment:

- credit risk deterioration will be considered on the basis of a change in rating since initial recognition. The current rating is compared with the rating assigned at the time of initial recognition;
- the Bank uses an internal rating system with 12 rating grades and the transition matrix which defines movements (rating deterioration) considered as significant, the 13th grade is referred as default. The Bank uses the transition matrix which defines movements (rating deterioration) considered as significant:
    - ratings 1-3 falling under investment grade are considered to be low credit risk, migrations within these ratings are not considered to be SICRs;
    - for other grades, the PD formula is used, after which the exposure will be assigned to Stage 2;
    - in line with the regulatory recommendation, the Bank uses a maximum of three times the increase of PD to determine the transition to Stage 2 in such a way as to guarantee that the threshold value of PD for progressing to Stage 2 is not higher for any rating class than three times the mean value of PD of the given rating class (for this can happen to a specific exposure, but only if the corresponding PD is lower than the median PD of the best rating class at the time of its origination);
    - at the same time, the value of the thresholds increases with higher ratings, so that for high ratings with a high PD mean less than a threefold increase in PD, all significant changes in PD are captured.

Qualitative factors to be considered in assessment:

- the receivable or its significant portion is overdue for more than 30 days;
- the nature of the project has changed with a negative impact on the debtor’s ability to generate cash flow;
- the debtor does not meet non-financial contractual obligations for more than 6 months;
- the Bank negotiates with the debtor about the restructuring of the debt (based on the request of the debtor or the Bank);
- negative information about the debtor from external sources;
- significant adverse changes in business, financial and/or economic conditions in which the debtor operates;
- significant change in collateral value, which is expected to increase risk of default.

For other products such as debits and repurchase agreements (reverse repurchase agreements with clients), the Bank does not determine ratings, scoring, and PD, and consequently may not compare their development for SICRs purposes over the time as in the case of other credit receivables. In such cases, credit risk deterioration is assessed based on other credit quality factors of an entity from which the Bank reports receivables, e.g. the debt collection process and its proceeding, overdue period of receivable, etc.

Credit impaired financial assets

A financial asset is ‘credit-impaired’ when one or more events defined as the “default of the borrower” that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

To determine whether a financial asset is in default, the Bank assesses the common signs of default that are listed below:

- the situation when the Bank filed a petition for declaring the bankruptcy of the debtor;
- the situation when the debtor has applied for bankruptcy announcement;
- the situation when the bankruptcy was announced;
- the debtor has entered or intends to enter into liquidation;
- the court has ruled that the debtor (legal person) was not founded (does not exist) or the debtor (natural person) has died;
- the final judgement of the court or administrative authority was ordered to enforce the decision by selling the debtor's assets or executing the debtor's assets;
- the situation when the debtor's liability or its portion is overdue for more than 90 days,
    - an overdue loan should be considered significant if both the limit expressed as an absolute amount and the limit expressed as a percentage are exceeded. In order for the debtor to be classified as "in default" on the basis of days past due, the overdue liability must be significant continuously for at least 90 days.
        - the absolute component is expressed as the maximum amount for the sum of all overdue amounts owed by a particular debtor to an institution, to the parent company of that institution or to any of its subsidiaries. This amount is defined as the equivalent of EUR 100 for a retail client and EUR 500 for other clients.
        - the relative component is expressed as a percentage reflecting the overdue loan amount in relation to the total amount of all balance sheet exposures of the institution towards the relevant debtor, its parent company or any of its subsidiaries, excluding any exposures involving shares. This percentage has been set at 1%.
- a situation where, during forced restructuring, the financial obligation is reduced by more than 1% of the value of the given claim; or in case of forced restructuring, the financial obligation will be reduced by 1% of the value of the given claim or less, while:
    - delay in expected funding from another financial institution for more than 12 months;
    - the situation when payments in the aggregate amount of at least 50% (in the sense of monitoring the repayment from the point of granting the loan) have been reduced, etc.

Financial assets where the debtor's default is proved are classified in Stage 3 or designated as POCI, if the relevant conditions have been met as at the date of the financial asset's initial recognition.

Determination of expected credit losses (ECL)

The term ECL refers to the multiplication of the probability of default (PD), expected loss given default (LGD) and exposure at default (EAD).

Loss given default

Loss given default (LGD), which is necessary for the calculation of ECL, is an estimate of the loss arising when default occurs at a given time (expressed as percentage). It is the difference between the contractual cash flows and the amount the Bank expects to receive, including cash flows from the realisation of collateral. For calculation, the Bank applies the method of discounted cash flows.

For exposures above the level determined by the Bank, the loss given default is determined on an individual basis. In other cases, the portfolio basis is used unless the Bank has already used an individual basis for the particular entity, e.g. for a credit analysis or credit rating calculation.

Individual LGD is determined as the weighted average (scenario weights are determined from historical realized loan losses as a relative frequency in a given category) of relevant cash flows according to the scenario analysis. The Bank commonly uses scenarios such as: breach of covenants resulting in full repayment request, significant decrease in financial performance (i.e. significantly below the thresholds for immediately full repayment of the contract), realization of collateral or severe drop in performance parameters. In determining the LGD value, the Bank takes into account the collateral of the receivable, provided that the Bank has legal right to realize the collateral within a reasonable time in the event of default of the borrower. For collateralized receivables, the calculation of the present value of the expected future cash flows also takes into account expenses associated with the realization of collateral.

For the purposes of LGD calculation, the Bank takes into account only collateral up to the amount that is not used as security for other assets or assets of third parties if they are entitled to satisfaction before the Bank (i.e. value of such collateral is reduced by the amount owed to more senior debtors).

Furthermore, collateral is used only up to the carrying amount of the collateralized assets recognised in the balance sheet.

For homogeneous segments below the materiality threshold, such as credit cards, overdrafts and single immaterial loans, or in case of lack of data, LGDs may be determined from historical observations, from parameters set in the regulatory framework or from the average of historical LGDs published by a local national bank (e. g. Czech National Bank) in the Financial Stability Report. Nonetheless, regular calibration of these parameters is performed at least once a year on the basis of current data.

Probability of default (PD)

To derive the point in time (PIT) and through the cycle (TTC) matrices, the Bank uses the migration matrices listed in the publicly available materials of Moody's, mainly due to the insufficient granularity of the portfolio and the length of time of its own observed data. The Bank uses a procedure based on Merton's one-factor model to determine PD according to future expectations. Macroeconomic influence in the model is represented by the Z component. Maximization of the likelihood is used to find the functional relationship between macroeconomic variables and the Z component.

Probability of default is assigned as follows:

- if the exposure is included in Stage 1, maximum one-year PD is determined;
- if the exposure is included in Stage 2, the corresponding life-time PD is assigned to the exposure;
- if the exposure is included in Stage 3, PD is 100%;

The procedure for calculating the final PD is divided into two steps:

- calculation of one-year PDs for the previous year, which is based on TTC PD adjusted for macroeconomic developments;
- calculation of multi-annual (cumulative) PDs, within which the multiplication of one-year transition matrices, modified according to the macro forecast for the respective year, is applied.

PD for the default rating level is calculated over the selected horizon using annualized migration matrices. Migration matrices are square stochastic matrices that describe the Markov process of migration between rating levels. PD at horizons that do not correspond to whole years are calculated by interpolation that uses the estimate of the stochastic root of the migration matrix for the corresponding year.

For the individual financial statements purposes, the Bank divides the internal ratings into the following risk categories having also its external rating equivalent based on PD intervals from Moody's annual reports.

In the event of the existence of an external rating of the exposure, this rating is used directly and the following mapping matrix is not used.

PD from	Mid PD from annual Moody's reports	PD to	Internal rating	External rating equivalent	Risk category
0.0000%	0.0665%	0.1055%	1	A / A2	Very low risk
0.1055%	0.1672%	0.2187%	2	BBB / Baa2	Low risk
0.2187%	0.2859%	0.3922%	3	BBB- / Baa3	Low risk
0.3922%	0.5377%	0.6558%	4	BB+ / Ba1	Medium risk
0.6558%	0.7996%	1.0526%	5	BB / Ba2	Medium risk
1.0526%	1.3844%	1.6687%	6	BB- / Ba3	Medium risk
1.6687%	2.0100%	2.5098%	7	B+ / B1	Medium risk
2.5098%	3.1299%	3.9113%	8	B / B2	Medium risk
3.9113%	4.8780%	5.1379%	9	B- / B3	Medium risk
5.1379%	5.4108%	6.5762%	10	CCC+ / Caa1	High risk
6.5762%	7.9715%	12.4643%	11	CCC / Caa2	High risk
12.4643%	18.9674%	99.9999%	12	CCC- / Caa3	High risk
100.0000%	100.0000%	100.0000%	13	D	Default

For debits and reverse repurchase agreements, the collateral is required to be a security traded on an active liquid market. Therefore:

- for Stage 1, no internal rating is assigned to the counterparty;

- Stage 2 and 3 is assigned to receivables overdue. An internal scoring/external rating must be assigned to an entity.

PD during the TTC cycle is subsequently adjusted according to macroeconomic developments to reflect the appropriate phases of the economic cycle.

Individual risk management departments are responsible for the calculation and update of relevant PDs. The Bank primarily determines the rating of non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. In addition, the Bank determines the rating of its liabilities, financial guarantees and undrawn limits. Scorecards are used to assign internal PDs to the appropriate exposures.

Scoring models also use external data (i.e. benchmarking models) that were mainly used for portfolios in which the variables applied are identical or very similar for a large number of banks (e.g. operating financing or personal loans).

Exposure at default (EAD)

Determination of Exposure at default (EAD) EAD refers to the level of exposure at default of the client which is then multiplied by PD and LGD in order to calculate the expected credit loss (ECL). Thus, EAD is a discounted 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.

For off-balance sheet exposures, the EAD represents the approved undrawn commitment adjusted by the conversion factor. If not enough data is available to prepare a statistical model for determining cash flows, the Bank uses historical experience or regulatory parameters according to the type of product as follows:

Type of product	Method of determining CCF
Overdrafts	Internal historical data
Credit cards	Internal historical data
Guarantees	Regulatory values under Basel III

Forward looking indicators

The expected loss model also considers information about future events. This information includes outlooks for industries in which individual counterparties operate, analysis from economic experts, financial analysts reports, data from government institutions, think tanks and other, including also consideration of internal and external sources of information relating to the current and future state of the general economic issues.

The Bank assigns counterparties relevant internal assessment of credit risk depending on their creditworthiness.

Reporting of ECL in financial statements:

- statement of financial position:
  - for financial assets measured at amortised cost as a deduction from the GCA of the assets;
  - for debt instruments measured at fair value through OCI, expected credit losses are not deducted from the carrying amount of a financial asset, as the carrying amount is already measured at fair value. However, an allowance is recorded as a decrease in revaluation reserve in OCI;
  - for loan commitments and financial guarantee contracts generally as a provision.
- in the statement of profit or loss, expected credit losses are presented as net change in loss allowances for financial instruments.

Sensitivity analysis

The sensitivity of expected credit losses (ECL) is affected by the probability of default (PD) and impairment losses (LGD). Therefore, the Bank prepares optimistic and pessimistic scenarios reflecting the amount of expected credit losses on a change of impairment losses by 10% (LGD). The probability of default is influenced by the change in GDP as a key forward-looking indicator. Therefore, the Bank also analyses the impact of a change in GDP by +/− 1% on the value of expected credit losses.

Modification of financial assets

If there is a change in the cash flows of a financial asset due to a change in the contractual terms between the Bank and the counterparty (modification not only due to financial difficulties) while the change in the terms of the contract is classified as significant, the financial asset is derecognised and a new financial asset is recognised at fair value, including transaction costs. The present value of cash flows is discounted using a new effective interest rate, which is also used for a calculation of interest revenues.

The change is classified as significant based on the quantitative factor, i.e. if the difference between the net present value of the asset under the new conditions using the original effective interest rate and the original carrying amount of the asset differs by at least 10% compared to the original value or based on the qualitative factor, such as the change of the loan currency, change of the interest type from fixed to variable and vice-versa, change of the debtor in case of merger etc.

If the change in the terms of the contract is not classified as significant and the financial asset was not derecognised, the Bank recalculates the present value of the modified cash flows from the financial asset, and the difference between the gross carrying amount before the change in the terms and conditions (not considering existing impairment) is recorded as the effect of the modification of assets to the profit or loss. The present value of modified cash flows is discounted using the original effective interest rate also used for the calculation of interest revenues. Costs and fees adjusting the carrying amount of a modified financial asset are amortised over the remaining term of modified financial asset.

Write-off

The gross carrying amount of a financial asset should be written-off directly when there are no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This involves situations in which the Bank determines that the debtor does not have the necessary assets or resources of income to repay the debt. The assessment is performed on an item-by-item basis. In the case of write-off, the Bank derecognises the gross carrying amount of a financial asset and the corresponding loss allowance. Write-offs do not affect profit or loss, as the written-off amounts are included in loss allowances. However, derecognised financial assets may still be recovered by the Bank in accordance with its debt recovery policies, therefore they are recorded off-balance sheet by the Bank.

Treasury bills

Treasury bills, comprising bills issued by Czech government agencies, are measured at amortised cost, which includes the amortised discount arising on purchase. The discount is amortised over the term to maturity with the amortisation being included in interest income.

Issued investment securities

Issued investment securities consist mainly of bonds included in the minimum requirements for capital and eligible liabilities (MREL), which are measured at amortized cost.

Subordinated debt

Subordinated debt consists of subordinated term deposits and subordinated bonds issued, measured at amortised cost. In the event of the Bank's insolvency, the subordinated debt will be settled only after all other non-subordinated debts have been settled.

Derivatives

Derivatives including currency forwards, cross currency swaps, interest rate swaps and options are initially recognised in the statement of financial position at fair value.

Changes in the fair value of derivatives are included in Net income from trading and investments.

Hedge accounting – Fair Value Hedge

The Bank decided to continue to apply hedge accounting under IAS 39 as part of its choice to apply IFRS 9 when recognising hedging derivatives. Hedging derivatives are derivatives that serve the Bank to hedge the currency risk and meet all conditions of the classification of hedging derivatives under International Accounting Standards (IFRS).

At the inception of a hedging transaction, the relationship between the hedging instrument and the hedged item is documented.

Hedge effectiveness is tested during the inception and duration of the hedging relationship by mutually offsetting changes in fair value or cash flows of the hedging instrument and the hedged item with the result in the range from 80 to 125%.

Changes in the fair value of derivatives to hedge against changes in fair value are recognised in the income statement together with changes in the fair value of hedged assets and liabilities to which a hedging risk can be assigned. Hedge accounting is discontinued when the hedging relationship is terminated by the Bank, the hedging instrument expires, is sold, terminated, or the respective contract is exercised, or the hedging relationship ceases to meet the criteria of hedge accounting.
The positive fair value of hedging derivatives is recognised as Positive fair value of derivatives within assets in the statement of financial position. The negative fair value of hedging derivatives is recognised as Negative fair value of derivatives within liabilities and equity in the statement of financial position. A change in the fair value of hedging derivatives and of the hedged item is recognised as Net trading profit in the income statement.

(b) Repurchase and resale agreements

Where securities are sold under a commitment to repurchase at a predetermined price ("repurchase agreements"), they remain on the statement of financial position and a liability is recorded equal to the consideration received. For these securities, there is no change in the measurement method and classification as a result of the repurchase transaction; they remain in the same measurement category. Conversely, securities purchased under a commitment to resell ("reverse repurchase agreements") are not recorded in the statement of financial position and the consideration paid is recorded as a cash equivalent or loan granted. The difference between the acquisition cost and the selling price is treated as interest that accrues over the life of the contract. Repurchase and reverse repurchase transactions are recognised on a settlement date basis.

(c) Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Depreciation is carried out on a straight-line basis over the estimated useful economic lives of assets, ranging from 2 to 21 years.

Software	
Operating applications	3–9 years
Application for management of clients' portfolios	2–10 years
Application for management of banking products	18–21 years
Other intangible assets	2–9 years

(d) Property, plant and equipment

Intangible assets are stated at historical cost less depreciation and impairment losses. Depreciation is provided on a straight-line basis over the estimated useful economic life of the asset.

Buildings	30–50 years
Office equipment, safe deposit boxes	3–10 years
Fixtures and fittings	3–5 years
Right of use	according to the duration of a lease contract

Land is not depreciated.

Assets under construction are not depreciated.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset.

The Bank's non-current assets are tested for impairment on a regular basis as at the date of the financial statements. Impairment of assets is recognised in the statement of profit or loss under other operating expenses.

(e) Leases

Bank as the lessor

When the Bank is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the arrangement is presented within loans and advances.

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

Bank as the lessee

The Bank applies IFRS 16 to all leases. A contract has the character of a lease or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Bank assesses whether the contract contains a lease for each potential individual lease component and re-evaluates the nature of the contract only if there is a change in the contractual terms.

If a contract contains a lease, the Bank as the lessee recognises the right-of-use asset and the lease liability as at the lease commencement date. The classification of the right-of-use into tangible/intangible assets class is based on the leased asset, i.e. on the underlying asset. The Bank has lease contracts where the leased assets are buildings (the bank's office premises, branches) and cars.

The Bank uses the exception for lease classification under IFRS 16 for short-term leases and leases whose underlying asset has a low value (EUR 5,000/CZK 130,000).

The Bank as the lessee recognises lease payments relating to lease contracts in the recognition exemption regime as expenses over the term of the lease.

As at the commencement date, the Bank shall measure the right-of-use asset at acquisition cost. Acquisition cost of a right-of-use asset includes the amount of lease liability initial recognition, all lease payments made at or before the commencement date net of all lease incentives received.

After the commencement date of the lease, the Bank shall measure the asset using the model of measuring at cost less accumulated depreciation and accumulated impairment losses, adjusted for any remeasurement of the lease liability.

As at the lease commencement date, the Bank shall measure the lease liability as the present value of lease payments that have not been paid at that date. Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Bank's incremental borrowing rate, if not.

On initial recognition, the Bank subsequently measures the lease liability by recognising interest on the lease liability, decreasing the carrying amount of the liability to reflect lease payments, remeasuring the carrying amount to reflect any lease revaluation or modifications.

While right-of-use assets are presented under Property, plant and equipment in the statement of financial position, lease liabilities are presented under Other liabilities. The Bank recognises interest expense on a lease liability separately from the right-of-use asset depreciation in the income statement. Lease liability interest expense represents a component of finance expense.

(f) Foreign currency translation

Transactions denominated in foreign currencies are translated into CZK at the official Czech National Bank exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the statement of financial position date. All resulting gains and losses are recorded in the income statement in Net income from trading and investments, in the period in which they arise.

(g) Income and expense recognition

Interest income and interest expense are recognised in profit or loss using the effective interest rate method.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability. The calculation of the effective interest rate includes all fees and points paid or received, transaction costs and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income/ interest expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. the amortised cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortised cost of financial liabilities. For credit-impaired financial assets, the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

For purchased or originated credit-impaired financial assets (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Interest income from trading financial assets, lease receivables, bonds at FVTPL is recognised as other interest income.

Negative income from financial assets is recognised as interest expense, positive income from financial liability as interest income.

Fee and commission income is accounted for pursuant to IFRS 15, applying the basic principle according to which revenue is recognised in a manner to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To apply this basic principle and determine when and at what amount revenue should be recognised, IFRS 15 provides a five-step model for revenue recognition.

Fees and commissions are divided based on the nature of the fee and the type of service provided as follows:

- fees and commissions for services provided that are recognised as the services are provided. These are recognised on a continuous basis in Net fee and commission income;
    - fees for keeping accounts, asset management, custody, etc.
- fees and commissions for the execution of the transaction are recognised when the transaction is provided and reported on a one-off basis in the Net fee and commission income;
    - payment fees, fees for the subscription of issued bonds, fees from financial instruments (mediation), clearing fees, etc.

(h) Income tax

Tax paid is calculated in accordance with the provisions of the relevant legislation based on the profit recognised in the statement of comprehensive income prepared pursuant to local statutory accounting standards, after adjustments for tax purposes.

Deferred tax is calculated using the statement of financial position liability method, providing for temporary differences between the accounting and taxation basis of assets and liabilities. Deferred tax liabilities are recognised for taxable temporary differences. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. For the calculation of deferred income taxes, currently enacted (or approved) tax rates as of the date of preparing the financial statements are used.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash deposited with central banks (including Obligatory minimum reserves) and other banks and short-term highly liquid assets with original maturities within three months.

(j) Provisions

A provision is recognised in the statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. In provisions, the Bank also reports ECL for off-balance sheet items in form of granted commitments and guarantees. The Bank reports changes in provisions in the income statement according to the nature of the financial instrument item to which the creation or release relates (i.e., in personnel expenses, other operating expenses, or as loss from changes in loans and other receivables, net change in allowances for financial instruments).

(k) Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when the Bank has a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis.

(l) Ownership interests

The subsidiary consists of participation with controlling influence in an entity where the Bank identified control/supervision. Control arises when the Bank receives or is entitled to receive variable returns from its participation in the company and has the ability to affect those returns through its power over the company, regardless of the ownership share.

In the case of control/supervision all following conditions must be met:

- power over the company in which it has been invested;
- the right or authority to acquire rights to obtain variable returns based on the investment in the company;
- the ability to use the power over the company, in order to influence the amount of the Bank's returns from this investment.

An associate enterprise consists of participation with significant influence is an entity where the Bank has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in decisions on the financial and operating policy of the invested subject, but it does not involve control or joint control over those policies.

A joint venture is a joint arrangement where parties that together control the arrangement have rights to the net assets of this arrangement. Joint control is the contractually agreed sharing of control over the arrangement which exists when decisions about the relevant activities require the unanimous consent of the parties that share control.

Ownership interests are measured at cost. The Bank creates allowances for these ownership interests on the reporting date in the amount of the difference between the carrying value of ownership interests recorded in the accounting and the recoverable amount.

The Bank applies fair value hedge accounting for ownership interests held in foreign currency that applies only to currency risk.

(m) Disposal groups held for sale

Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Disposal groups are classified as held for sale if their carrying amounts are primarily recovered through a sale transaction rather than through continuing use. This condition is regarded as met only if the sale is highly probable and the disposal group is available for immediate sale in its present condition, management has committed to the sale, and the sale is expected to be completed within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(n) Dividends

Dividend expense is recognised in the statement of changes in equity and recorded as liabilities in the period in which they are declared.

Dividend income is recognised when the right to receive payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders approve the dividend for unlisted equity securities.

The presentation of dividend income in the statement of profit or loss depends on the classification and measurement of the ownership interests, i.e.:

- for equity instruments which are held for trading, dividend income is presented in net trading income;
- for equity instruments measured at fair value through other comprehensive income, dividends are presented in the statement of profit or loss under "Net income from trading and

investments", except when these dividends clearly represent a recovery of part of the acquisition cost of the investment;
- for equity instruments that are not designated at FVOCI and are not held for trading, dividend income is presented in dividends from ownership interests in the income statement.

(o) Employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Amounts due to employees, such as amounts relating to accrued vacation pay or performance bonuses, are recognised as other liabilities.

(p) Other equity instruments

Other equity instruments are issued, subordinated, unsecured and yield certificates with a fixed interest income dependent on the fulfilment of particular conditions (hereinafter "Certificates"). These Certificates have no maturity date.

The Certificates have the character of hybrid financial instruments combining the economic features of equity and debt securities.

The Bank classified Certificates in accordance with IAS 32 and assessed all the conditions for the definition as equity instrument. Certificates meet both of the required conditions:
- the Certificates include no contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or liabilities with another entity under conditions that are potentially unfavourable to the issuer;
- if the Certificates are or may be settled in the entity's own equity instruments, the Certificates are non-derivative instruments, which include no contractual obligation for the issuer to deliver a variable number of its own equity instruments.

The Bank may redeem the Certificates with the approval of the Czech National Bank. Holders of Certificates have no right to ask for redemption, except in the event of the Bank's liquidation.

The Bank commits to paying interest income generated from Certificates to the holders, but may also decide not to pay the interests accrued by the Certificates without compensating this in future periods. The Bank will pay interest if there are funds available and if it is approved to be used by the General Meeting of the Bank. When there are not sufficient funds available, the payment is reduced proportionately. Payment of earnings can be drawn from:

- the Bank's net income after allocation to mandatory (reserve) funds ascertained in the Bank's separate financial statements for the given reporting period;
- retained earnings;
- other equity components that the Bank is authorised to distribute to its shareholders by its decision.

As the Bank has no obligation to deliver cash to the holders of Certificates or to settle the contractual obligation by providing other financial assets, (i.e. Certificate holders do not have right to redemption of the principal amount or the interest income and as the Certificates have no maturity date), they are included in additional Tier 1 capital (AT1). This inclusion is subject to approval by the Czech National Bank.

4. ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

These principles supplement the commentary on financial risk management.

Key sources of estimation uncertainty

Expected credit losses

Expected credit losses are determined for those assets classified at amortised cost, debt instruments at fair value through other comprehensive income, guarantees and commitments. The basis used for its calculation and principles considered are described in note 3(a).

Changes in PD, LGD, FLI, SICR

In 2024, the Bank performed standard updates relating to PD, LGD, FLI and SICR. This mainly involved the inclusion of the most up-to-date data in models. At the end of 2024, a regular annual update of the PD model and LGD update for FVOCI bonds was performed based on publicly available data from Moody's for 2023 (Annual default study).

FLI model

To derive the point in time (PIT) and through the cycle (TTC) matrices, the Bank uses the migration matrices listed in the publicly available materials of Moody's (covering the period from 1983 to 2023), mainly due to the insufficient granularity of the portfolio and the length of time of its own observed data. The Bank uses a procedure that is based on Merton's one-factor model. Macroeconomic influence in the model is represented by the Z component. Maximization of the likelihood is used to find the functional relationship between macroeconomic variables and the Z component.

For the estimation of the correlation between the Z-component and macroeconomic units, the following variables were taken into account – real GDP growth (annual percentage change) and the Z-component. Based on historical experience, this is the most reliable variable; other variables are not considered in order to preserve the robustness of the model, which can only be estimated using a limited number of observations.

Based on the estimated development of changes in real GDP and the relationship between the Z-component and this macroeconomic variable, the corresponding point-in-time forward-looking (PiT FL) transition matrices are subsequently calculated based on the estimated development of the Z-component by adjusting the TTC matrix for the Z-component. In addition to the model for the Z-component, a GDP scenario model is also used for these estimates, which takes into account the historical development of real GDP in the given country, the projection of the development of real GDP in this country (from the respective central bank) or the projection of global macroeconomic development (IMF) including their observed predictive capabilities. The PiT FL transition matrices are estimated for a period of 5 years. Beyond this horizon, it is assumed that the Z-component is zero, and the TTC matrix is therefore used.

PD variants

Standard PD: There are now four generated PD scenarios generated on 5%, 12.5%, 25% and 50% quantile of real GDP development forecast for each country. The four PD sets are equally outweighed by 25% weight.
Crisis PD: There are independent PDs generated for exposures found in fields struck by crisis (selected NACE sectors).
Mild Crisis PD: There are independent PDs generated for exposures found in fields struck by a milder crisis (selected NACE sectors).

The Bank's highest exposure of its credit portfolio are to the Czech Republic (51%) and the Slovak Republic (16%) as at 31 December 2024. The GDP development for these countries only is shown below, as the shares in other countries are insignificant.

Real GDP growth used (in %):

Country	Year	Central Bank	Central Bank forecast	Estimated values			
				5% quantile	12,5% quantile	25% quantile	50% quantile
CZE	2024	CNB	1.02	(0.16)	0.29	0.73	1.34
CZE	2025	CNB	2.44	(1.92)	(0.89)	0.14	1.63
CZE	2026	CNB	2.44	(2.7)	(1.55)	(0.42)	1.17
CZE	2027	CNB		(3.51)	(2.01)	(0.52)	1.58
CZE	2028	CNB		(3.43)	(1.92)	(0.5)	1.53
CZE	2029	CNB		(3.46)	(2.06)	(0.62)	1.48
SVK	2024	NBS	2.8	(0.04)	0.84	1.71	2.9
SVK	2025	NBS	3.2	(1.43)	(0.44)	0.54	1.88
SVK	2026	NBS	2.1	(2.18)	(1.23)	(0.29)	1.01
SVK	2027	NBS		(2.9)	(1.46)	0.09	2.23
SVK	2028	NBS		(2.9)	(1.38)	0.11	2.21
SVK	2029	NBS		(3)	(1.38)	0.11	2.23

Data sources:

Country	National Bank	Data Source
SVK	National Bank Slovakia (NBS)	Economic and Monetary Developments
CZE	Czech National Bank (CNB)	Monetary Policy Report

PD curves are updated continuously, whenever forecast of the country's National Bank changes by more than 1 percentage point.

ECL model (management overlays)

The Bank applies management overlays through interventions in the PD model and uses them to correct the impact of the ongoing effects of the crisis on the PD model. The first adjustment applied is the choice of four equally weighted pessimistic macroeconomic scenarios that are used in the model. The use of scenarios created from 5%, 12.5%, 25% and 50% quantiles of GDP predictions, as well as the corresponding ¼ weights of all these scenarios present, the Bank's conservative outlook for future economic development.

Another significant management overlay is the division of sectors into groups, specifically into sectors (ordinary PD), where we expect the development in the given sector to correspond to the expected development of GDP, and sectors (crisis PD), where development is at risk due to the influence of current risk factors in the market (mainly the effects of inflation, interest rates, energy crises, problems in supply-customer chains, etc.). The division of sectors was approved by the relevant Bank Committee. PDs for Ukraine and Russia are determined separately, given the increased geopolitical risk. For expositions in Russia and Ukraine, the Bank has further used a prudent overlay in the form of creating allowance in the value of 50% of the assessed exposure.

The above set-up remains in effect, and a fourth set – Mild Crisis – has been added to the original three PD sets (Standard, Crisis, Russia/Ukraine). The new set is used for sectors where there has been some improvement in risk factors, or improvement is expected, so the Bank no longer considers it necessary to keep these sectors among the crisis sectors. Furthermore, this set is used for sectors where standard PDs have been applied so far, but risk factors have deteriorated or deterioration is expected.

These new Mild Crisis PDs correspond to the 1% quantile for the first two years, followed by a Z-component equal to -2 (corresponding to approximately 2% quantile) for the other three years and 1.5 times the systematic risk.

In addition to the new PD set, there is a change in the methodology for classifying sectors into risk categories. Instead of an expert assessment and subsequent division into standard and crisis sectors, the division will be based on a weighted average of time series (historical defaults) from Moody's and evaluation by a group of experts. The final division of sectors into Standard, Mild Crisis and Crisis is determined based on:

- four data series with assigned weights:
  - Moody's default rate: 2023 (for the last year),
  - Moody's default rate: 10-year average,
  - Moody's default rate: 20-year average,
  - group of experts,

- determination of intervals for default frequency occurrence in economic sectors based on Moody’s time series,
- assignment of values 1 – 3 (risk determination) for default volumes in Moody’s time series for individual economic sectors based on determined intervals,
- weighted average from data series to determine the risk level of individual sectors.

Based on this approach, sectors are therefore divided into three categories according to risk level, and the corresponding PD set is used for each category.

Recalibration will be performed at least once a year based on current Moody’s data and updates of expert assessment of sectors. In case of market changes, the Bank’s Board of Directors and the Credit Risk Management Division Director may call for an update of the expert sector assessment.

Along with the new PD set (Mild Crisis) and the new approach to dividing sectors into risk categories, a change in the application of minimum LGD will also be implemented. Until now, when calculating ECL, at least the LGD for the third LGD scenario was applied; going forward, the final LGD will be applied. This means that if the resulting LGD calculated from the three LGD scenarios does not reach the minimum LGD level, the minimum LGD level is applied.

The impact of the above management overlays was as follows:

31/12/2024	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management overlays	2,147	58
Impact of management overlays	817	49
Final amount of loss allowances and provisions after management overlays	2,963	107

31/12/2023	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management overlays	2,655	48
Impact of management overlays	578	33
Final amount of loss allowances and provisions after management overlays	3,233	81

Determining provisions

The amounts recognised as provisions are based on management’s judgment, in some cases supported by reports from the Bank’s legal department or reports from independent experts and external lawyers. The amount of provisions represents the best estimate of expenditures required to settle the liability with uncertain timing or the uncertain amount of the obligation. The carrying amount of provisions represents the present value of expected cash flows needed to settle the estimated liability. The Bank discounts to present value using a discount factor based on market interest rates, taking into account the currency in which the provision is created and also the expected duration of the liability.

Determining fair values

The fair value of financial assets is based on their quoted market price at the reporting date, without any deduction for transaction costs. If a quoted market price is not available, the fair value of the asset is estimated using pricing models or discounted cash flow techniques.

The Bank determines the fair value hierarchy according to IFRS 13 and establishes fair value using the following hierarchical system that reflects the significance of the inputs used in the valuation:

- Level 1 – entries are (unadjusted) quoted prices in active markets for identical assets or liabilities to which the Bank has access at value date;
- Level 2 – inputs are inputs other than quoted prices included in Level 1 that are directly or indirectly observable for an asset or liability:
    - quoted prices of similar assets or liabilities in active markets,
    - quoted prices of identical assets on markets that are not active,
    - input quantities other than quoted prices that are observable,
    - market-supported inputs;
- Level 3 – inputs are unobservable inputs for an asset or liability. The given assets or liabilities are not traded in active markets.

Loans and advances to customers and Due from financial institutions: Fair value is calculated based on discounted expected future cash flows of principal and interest using the appropriate yield curve and risk spread. The estimate of expected future cash flows takes into account credit risk, changes in credit status since the loans were provided, and changes in discount rates in the case of fixed rate loans.

Investment securities at amortised cost: Fair value is based on the market price quoted on an active market at the date of the financial statements.

Deposits and loans from banks and customers and subordinated deposits: For demand deposits and deposits with no defined maturity, fair value is taken to be the amount payable on demand at the financial statements date. The estimated fair value of fixed-maturity deposits is based on discounted cash flows using appropriate yield curve.

Subordinated bonds issued: The fair values of the subordinated bonds issued by the Bank are based on current market prices. The fair value of the bonds does not contain direct transaction costs charged on issuance.

In the vast majority of cases, the fair value of Level 3 investments, debt instruments, provided loans, is estimated using discounted cash flow ("DCF") models, with inputs coming from the specific investment's business plan or cash flow projections. The discount rates are set on the basis of industry and country specifics relevant to the instrument. The key assumptions used in the valuations include the expected cash flows and discount rates. Unobservable inputs in Level 3 valuation, which represent the main sources of estimation and uncertainty, are presented and quantified in note 19.

Climate change

A significant source of uncertainty are insecurities even in the field of environmental risks, social responsibility, and corporate management. All of those are considered when determining accounting estimates, such as business combinations, decrease in asset values, reserve accounting or determining useful life of assets. Climate risks are managed and monitored within the Bank by its Risk Management Department in cooperation with the Sustainability Committee, with information on risk management provided in note 40.

5. GEOGRAPHIC SEGMENTATION OF ASSETS, LIABILITIES, INCOME AND EXPENSES

In presenting information on the basis of geographical areas, revenue/expense is based on the customer/counterparty's country of domicile and assets/liabilities are based on the geographical location of the assets/liabilities. More details about splitting the credit risk for loans according to the actual loan purpose and location are comprised in note 41d.

Statement of financial position

31/12/2024	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash, cash equivalents and due from banks and other financial institutions	110,042	7,896	256	15	118,209
Investment securities and positive fair value of derivatives	35,186	12,683	11,335	56	59,260
Ownership interests	2,423	8	309	-	2,740
Loans and other advances to customers	42,079	13,033	46,043	8,196*	109,351
Total	***189,730***	***33,620***	***57,943***	***8,267***	***289,560***
Negative fair value of derivatives	575	2	1,046	-	1,623
Deposits and loans from banks	259	700	5,788	16	6,763
Deposits from customers	141,905	45,022	39,323	886	227,136
Subordinated debt	4,556	63	-	-	4,619
Issued investment securities	3,349	-	-	-	3,349
Total	***150,644***	***45,787***	***46,157***	***902***	***243,490***

** The position covers especially expositions in Switzerland and Great Britain.*

31/12/2023	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash, cash equivalents and due from banks and other financial institutions	133,753	6,205	275	6	140,239
Investment securities and positive fair value of derivatives	23,530	3,786	6,862	76	34,254
Ownership interests	2,352	8	303	-	2,663
Loans and other advances to customers	31,110	9,014	50,768	9,378*	100,270
Total	***190,745***	***19,013***	***58,208***	***9,460***	***277,426***
Negative fair value of derivatives	795	7	1,633	-	2,435
Deposits and loans from banks	336	367	7,537	16	8,256
Deposits from customers	138,355	39,401	37,562	1,415	216,733
Subordinated debt	1,199	57	-	-	1,256
Issued investment securities	3,287	-	-	-	3,287
Total	***143,972***	***39,832***	***46,732***	***1,431***	***231,967***

** The position covers especially expositions in Switzerland, Great Britain and USA.*

Income statement

31/12/2024	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	5,648	(168)	1,935	732	8,147
Net fee and commission income	1,256	438	252	29	1,975
Dividends from ownership interests	624	-	-	-	624
Net income/(loss) from trading and investments	1,449	(29)	(453)	119	1,086
Other operating income	59	13	4	-	76
Operating income	***9,036***	***254***	***1,738***	***880***	***11,908***
Personnel expenses	(1,313)	(327)	(54)	-	(1,694)
Depreciation and amortisation	(120)	(35)	(3)	-	(158)
Other operating expenses	(1,749)	(308)	(88)	(22)	(2,167)
Profit before allowances, provisions and income tax	***5,854***	***(416)***	***1,593***	***858***	***7,889***
Net loss from changes of loans and other receivables	(2)	-	(252)	-	(254)
Net change in loss allowances for financial instruments	68	170	208	(234)	212
Profit before tax	***5,920***	***(246)***	***1,549***	***624***	***7,847***

31/12/2023	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	4,631	479	3,093	942	9,145
Net fee and commission income	847	341	192	69	1,449
Dividends from ownership interests	260	-	-	-	260
Net income/(loss) from trading and investments	802	(729)	1,415	605	2,093
Other operating income	247	2	3	1	253
Operating income	***6,787***	***93***	***4,703***	***1,617***	***13,200***
Personnel expenses	(1,368)	(137)	(59)	-	(1,564)
Other operating expenses	(1,477)	(215)	(84)	(15)	(1,791)
Depreciation and amortisation	(176)	(34)	(1)	-	(211)
Profit before allowances, provisions and income tax	***3,766***	***(293)***	***4,559***	***1,602***	***9,634***
Net loss from changes of loans and other receivables	-	(13)	(29)	-	(42)
Net change in loss allowances for financial instruments	244	(271)	(647)	(347)	(1,021)
Net change in loss allowances for ownership interests	(668)	-	(55)	(19)	(742)
Profit before tax	***3,342***	***(577)***	***3,828***	***1,236***	***7,829***

6. INTEREST INCOME

in millions of CZK	2024	2023
Interest income from:		
Loans and advances to customers	8,741	8,484
Resale agreements	7,958	7,706
Bonds and other fixed income investment securities	1,519	782
Due from financial institutions	347	298
Total	***18,565***	***17,270***

Interest income from "Loans and advances to customers" includes accrued fees associated with the provision of loans of CZK 115 million (2023: CZK 132 million) that are part of effective interest rate.

Interest income by asset classes:

in millions of CZK	2024	2023
Interest income from:		
Financial instruments at fair value through profit or loss:		
- Investment securities for trading	382	356
Other interest income	***382***	***356***
Financial assets at fair value through other comprehensive income		
- Investment securities	612	362
Financial assets at amortised cost		
- Investment securities	525	65
- Resale agreements and due from financial institutions	8,304	8,002
- Loans and other advances	8,742	8,485
of which:		
unpaid interest on impaired loans	*157*	*310*
forbearance	*16*	*5*
Interest income calculated using effective interest rate	***18,183***	***16,914***
Total	***18,565***	***17,270***

7. INTEREST EXPENSE

in millions of CZK	2024	2023
Interest expense from:		
Deposits from customers	(9,281)	(7,625)
Deposits and loans from banks	(120)	(195)
Repurchase agreements	(562)	(151)
Lease liabilities	(42)	(27)
Issued investment securities	(258)	(69)
Subordinated debt	(155)	(58)
Total	***(10,418)***	***(8,125)***

Interest expense by liability classes:

	2024	2023
Interest expense on:		
Financial liabilities at amortised cost	(10,418)	(8,125)
Total	***(10,418)***	***(8,125)***

8. FEE AND COMMISSION INCOME

in millions of CZK	2024	2023
Fee and commission income from:		
Issuance and administration of securities	814	560
Distribution and other fees from funds	830	530
Trading with financial instruments	248	221
Assets management	91	99
Administration, custody and safekeeping of valuables	77	94
Lending activities	221	95
Foreign exchange services	56	52
Other	36	101
Total	***2,373***	***1,752***

All fee and commission income is recognised in compliance with IFRS 15 Revenue from Contracts with Customers.

9. FEE AND COMMISSION EXPENSE

in millions of CZK	2024	2023
Fee and commission expense on:		
Issuance of securities for the clients and central administrative services for collective investment	(222)	(135)
Transactions in financial instruments	(57)	(56)
Administration, custody and safekeeping of valuables	(42)	(45)
Processing of payment transactions	(36)	(23)
Other	(41)	(44)
Total	***(398)***	***(303)***

10. NET INCOME FROM TRADING AND INVESTMENTS

in millions of CZK	2024	2023
Net income from trading includes:		
Net income on securities – from revaluation and settlement	686	709
Net loss from financial liabilities at fair value	(2)	(11)
Net gain/(loss) from derivative operations	(147)	1,194
Net gain from foreign currency translation	490	63
Net gain on hedge accounting	-	7
Dividend income – investment securities	59	131
Total	***1,086***	***2,093***

in millions of CZK	2024	2023
Net income from trading includes:		
Financial assets and liabilities at fair value through profit or loss:		
- those held for trading	7	1,643
- financial liabilities at fair value	(2)	(11)
- investment securities mandatorily at fair value	534	337
Financial assets at fair value through other comprehensive income	57	61
Foreign exchange differences	490	63
Total	***1,086***	***2,093***

11. OTHER OPERATING INCOME

in millions of CZK	2024	2023
Outsourcing income	16	11
Profit from the sale of property, plant and equipment and intangible assets	1	1
Rental income	2	1
Profit from the sale of subsidiaries	-	144
Profit from the revaluation of gold bullion	11	2
Other income	46	94
Total	***76***	***253***

Other income includes revenue from the project office in the amount of CZK 24 million (2023: CZK 0 million) and a number of items that are separately immaterial. For 2023, other income comprises mainly revenue from disposal of IT Dept. and services in the amount of CZK 80 million and a number of items that are separately immaterial.

Gain on the disposal of subsidiaries in 2023 of CZK 144 million presents total impact from the sale of J&T Bank a.o. and TERCES MANAGEMENT LIMITED, note 1.

12. PERSONNEL EXPENSES

in millions of CZK	2024	2023
Wages and salaries	(1,108)	(1,014)
Remuneration paid to key management personnel	(170)	(161)
Compulsory social security contributions	(332)	(302)
Other social expenses	(84)	(87)
Total	***(1,694)***	***(1,564)***
Average number of employees during the reporting period	***709***	***698***

There were 6 members of the Bank’s Board of Directors as at 31 December 2024 (2023: 6).

13. OTHER OPERATING EXPENSES

in millions of CZK	2024	2023
Rental expense	(163)	(148)
of which recognition exemption applied under IFRS 16		
- *lease of low-value assets*	*(59)*	(57)
- *short-term leases*	*(13)*	(12)
Contributions to Deposit Insurance Fund	(49)	(63)
Contributions to Crisis Resolution Fund	(68)	(143)
Taxes and fees	(3)	(1)
Operating costs:		
Outsourcing	(1,094)	(714)
Advertising expenses and promotion	(236)	(236)
Repairs and maintenance – IS, IT	(2)	(34)
Sponsorship and gifts	(124)	(41)
Expenses associated with leased premises	(12)	(8)
Audit, legal and tax consulting	(46)	(57)
- *Statutory audit of annual financial statements*	*(25)*	*(20)*
- *Tax consulting*	*(3)*	*(2)*
- *Other non-audit services*	*(18)*	*(35)*
Consulting expenses	(62)	(59)
Communication expenses	(24)	(23)
Transport and accommodation, travel expenses	(17)	(15)
Materials	(15)	(22)
Repairs and maintenance	(4)	(4)
Other operating expenses	(248)	(223)
Total	***(2,167)***	***(1,791)***

Other operating expenses of CZK 247 million as at 31 December 2024 (2023: CZK 223 million) include many sundry items that are not significant on an individual basis.

14. INCOME TAX

Income tax for 2024 was calculated in accordance with Czech tax regulations at the rate of 21% (2023: 19%). The corporate income tax rate for 2025 will be 21%.

The Czech Republic currently has a number of laws regulating various taxes and charges imposed by the state. These include namely value-added tax, corporate income tax, employment tax, social security and health insurance charges etc. Tax returns, together with other legal compliance areas (such as customs and currency control matters) are subject to inspection by a number of authorities, who are authorised by law to impose fines, penalties and interest charges. This results in tax risks in the Czech Republic being substantially higher than the ones typically found in countries with more developed tax systems.

The Slovak branch pays tax in accordance with Slovak tax regulations. The income tax rate in Slovakia is 21% (2023: 21%). In 2025, the income tax rate in Slovakia will be 24%. The tax paid by the branch in Slovakia is offset against the income tax for the Bank as a whole paid in the Czech Republic.

From 1 January 2024, the obligation to pay a special levy on business in regulated sectors came into effect for persons operating on the basis of a licence issued or granted by the National Bank of Slovakia (NBS). The levy is calculated as the product of the levy base and the applicable rate. The levy is based on the company's economic result reported in the financial statements submitted with the tax return (Section 5 of Act No 235/2012 Coll.) multiplied by a coefficient. The coefficient for the purpose of calculating the levy base is calculated as the ratio of revenues from regulated activities to total revenues for the accounting period for which the economic result for calculating the levy base was reported. The rate of the levy for a regulated entity carrying out banking activities on the basis of a banking licence granted by the NBS pursuant to a special regulation or on the basis of an authorisation or permit to carry out banking activities issued in another European Union Member State and in a State which is a contracting party to the European Economic Area Agreement, is 0.025 per month, i.e. 30% per annum. The levy rate will decrease each year until it reaches 0.00363 for 2028. As many areas of Slovak tax law have not yet been sufficiently tested in practice, there is uncertainty as to how the tax authorities will apply them. The degree of this uncertainty cannot be quantified and will only disappear once legal precedents or official interpretations of the competent authorities are available. The Bank's management is not aware of any facts that could lead to significant costs in the future.

On 3 October 2024, Act No. 279/2024 Coll. on Financial Transaction Tax and on Amendments and Supplements to Certain Acts (the "FTT Act") was approved in the Slovak Republic. The Act is effective from 1 January 2025, with the first tax period being April 2025. A taxable person within the meaning of the FTT Act is a natural person, i.e. an entrepreneur, a legal person or an organisational unit of a foreign person who is a provider of payment services and who has its registered office or place of business in the Czech Republic, has a payment account with a payment service provider with its registered office in the Czech Republic or carries out activities in the Czech Republic.

The subject matter of the tax is a financial transaction in which the amount of funds from the taxable person's payment account is reduced, a payment card is used or a cost is recharged in connection with the performance of a financial transaction relating to the taxable person's activities carried out in the country.

The tax rate is 0.4% for financial transactions up to a maximum of EUR 40, 0.8% for cash withdrawals from an ATM or branch, EUR 2 per year for the use of a payment credit card in a given calendar year and 0.4% for expenses charged. The minimum tax is 1 cent. The tax period is the calendar month, or the calendar year for payment cards. The Bank will act both as a taxpayer and a taxable person.

The German branch pays tax in accordance with German tax regulations. The corporate income tax rate in Germany is 15%, plus solidarity surcharge, resulting in an effective rate of 15.83%. In 2025, the corporate income tax rates in Germany will remain unchanged. Revenues and related expenses taxed by the branch in Germany are excluded from taxation in the Czech Republic.

The Bank expects that, considering the total amount of revenues on a consolidated basis of the J&T FINANCE GROUP SE, of which it is a part, the rules for the Pillar 2 top-up tax will apply to it in the future. Under these rules, the highest parent entity will be considered J&T FINANCE GROUP SE. The Bank has decided to apply the temporary exception from the accounting requirements arising from the Amendment to IAS 12 Income Taxes: International Tax Reform – Model Rules of the Second Pillar and does not account for deferred tax receivables and obligations related to corporate taxes under Pillar 2. The Bank monitors and analyses the development of legislation in this area, familiarises itself with the relevant measures, the procedure for calculating the effective tax rate including the requirements for input data and reporting obligations, and prepares for the related duties. In 2025, the OECD published a register of countries that have obtained transitional qualified status for the GloBE top-up tax (based on the profit inclusion rule) and for the national top-up tax. The qualified status was obtained by both the Czech Republic and Slovakia. The Bank currently does not expect a significant impact of Pillar 2 on the financial statements.

The management believes that it has adequately provided for the tax liabilities in the accompanying financial statements.

Reconciliation of the expected income tax expense is as follows:

in millions of CZK	2024	2023
Profit before tax	7,847	7,829
Statutory income tax rate	21%	19%
Income tax calculated	1,648	1,488
Non-taxable income	(336)	(90)
Impact of change in tax rate	(7)	(65)
Non-deductible expenses	23	175
Bank tax in Slovakia	169	-
Other	(2)	-
Total income tax	***1,495***	***1,508***
Effective tax rate	19.05%	19.24%
of which:		
Income tax expense/(benefit) – deferred	*185*	*(210)*
Income tax expense – current	*1,310*	*1,718*

The main adjustments when calculating the taxable profit from the profit before tax relate to tax exempt income to be deducted from, and tax non-deductible expenses to be added to the tax base. The main non-deductible expenses are tax non-deductible provisions to receivables, creation of provisions and representation expenses. Main non-deductible expenses are dividend income from ownership interests, income from government bonds, release/use of allowances for receivables and release/use of provisions.

Current income tax is calculated in accordance with the Czech Accounting Standards from profit adjusted according to the Czech Act on Income Tax, as amended.

15. DEFERRED TAX

The Bank has the following deferred tax assets:

	Deferred tax asset	
in millions of CZK	31/12/2024	31/12/2023
Difference between the carrying and tax value of property, plant and equipment and intangible assets	114	118
Financial assets at fair value through other comprehensive income	26	35
Lease Liability	(121)	(131)
Provision for off-balance sheet items	21	33
Allowances for loan receivables	136	337
Provision for bonuses and untaken holidays	296	275
Other	7	6
Net deferred tax asset	***479***	***673***

The deferred tax asset is calculated using the corporate income tax rate applicable for 2025, i.e. 21% for the Bank's headquarters (2023: 21%) and 24% for the Bank's Slovak branch (2023: 21%).

The following table shows the reconciliation between the deferred tax charge and the change in deferred tax assets:

in millions of CZK	31/12/2024	31/12/2023
Net deferred tax asset as at 31 December	673	481
Deferred tax recognised in profit or loss (note 14)	(185)	210
Change in deferred tax recognised in equity	(9)	(1)
Deferred tax from ECL to bonds in FVOCI	1	(17)
Foreign exchange differences	(1)	-
Deferred tax asset at the end of the period	***479***	***673***

16. CASH AND CASH EQUIVALENTS

in millions of CZK	31/12/2024	31/12/2023
Loans to central banks – reverse repurchase agreements	106,225	131,282
Term deposits with central banks within 3 months	7,751	5,565
Obligatory minimum reserves in central banks	3,658	2,822
Current accounts with banks or payable within 3 months	146	108
Cash on hand and current accounts with central banks	210	191
Total	***117,990***	***139,968***

Obligatory minimum reserves represent the required minimum reserves maintained by J&T BANKA, a.s., J&T BANKA, a.s. pobočka zahraničnej banky, J&T BANKA, a.s., and Zweigniederlassung Deutschland, according to the rules of the relevant regulatory authorities.

The reserve requirement of J&T BANKA, a.s., is calculated as 2% of primary deposits with a maturity of less than 2 years. Interest-bearing reserve requirements in the Czech Republic were abolished with effect from 5 October 2023 by decision of the Czech National Bank's Bank Board.

Reserve requirements for companies in Slovakia and Germany are calculated as 1% of primary deposits with a maturity of less than 2 years. These obligatory minimum reserves are not interest bearing.

Exposures classified as cash and cash equivalents, balances with central banks are classified at amortised cost, generally Stage 1, financial assets with low credit risk.

17. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

in millions of CZK	31/12/2024	31/12/2023
Subordinated loans to banks	202	273
Other receivables due from banks	18	3
Expected credit losses for loans	(1)	(5)
Total	***219***	***271***

The Bank has a prudent liquidity policy and holds a part of its liquidity surplus in highly liquid assets. Highly liquid assets include balances with central banks, short term deposits in financial institutions and highly liquid corporate and government bonds. The Bank decides on placements based on the credibility of the counterparty and the offered conditions.

Subordinated loans to banks are provided to related parties. All receivables due from banks and other financial institutions are classified in Stage 1.

There were no overdue receivables from banks as at 31 December 2024 and 31 December 2023.

18. DERIVATIVES

(a) Derivatives held for trading

31/12/2024	Notional amount buy	Notional amount sell	Positive fair value	Negative fair value
FX derivatives	202,869	(200,871)	2,763	(1,498)
Cross currency derivatives	1,737	(1,737)	71	(70)
Interest rate derivatives	57,428	(57,428)	247	(50)
Other derivatives	982	(982)	-	(5)
Total	***263,016***	***(261,018)***	***3,081***	***(1,623)***

31/12/2023	Notional amount buy	Notional amount sell	Positive fair value	Negative fair value
FX derivatives	145,016	(142,617)	4,213	(2,241)
Cross currency derivatives	1,697	(1,697)	60	(56)
Interest rate derivatives	28,890	(28,890)	295	(137)
Other derivatives	2,370	(2,370)	-	(1)
Total	***177,973***	***(175,574)***	***4,568***	***(2,435)***

All derivatives held for trading are classified as Level 2 according to the fair value hierarchy that reflects the significance of the inputs used in the valuation.

FX derivatives, generally forward currency contracts, are commitments to either purchase or to sell a designated currency at a specified date for a specified price. These contracts result in a credit exposure at a specified future date for a specified price. Forward currency contracts also result in exposure to market risk based on changes in quoted market prices relative to the contracted amounts.

As at 31 December 2024, the Bank had cash collateral for derivative transactions of CZK 1,781 million (2023: CZK 4,105 million).

Although all these derivatives represent economic hedges, they are reported as held for trading as the Bank did not classify them as derivatives held for risk management purposes (hedging derivatives).

The foreign currency structure of these transactions was as follows:

Buy	CZK	EUR	USD	Other
31/12/2024	41%	44%	10%	5%
31/12/2023	60%	36%	3%	1%
Sell	CZK	EUR	USD	Other
31/12/2024	31%	51%	12%	6%
31/12/2023	56%	41%	2%	1%

(b) Derivatives held for hedging

	Notional amount		Fair value	
	Buy	Sell	Positive	Negative
- Payable from 1 to 5 years	3,183	(2,896)	233	-
Total as at 31 December 2024	***3,183***	***(2,896)***	***233***	***-***
- Payable between 3 months and 1 year	1,357	(1,236)	104	-
- Payable from 1 to 5 years	1,383	(1,236)	105	
Total as at 31 December 2023	***2,740***	***(2,472)***	***209***	***-***

All derivatives held for risk management are classified as Level 2 according to the fair value hierarchy that reflects the significance of the inputs used in the valuation. The objective of this hedge is to cover the foreign currency ownership interests. The Bank uses currency forwards to achieve hedge effectiveness. The set hedges are in all cases effective. As at 31 December 2024, the carrying amount of hedged ownership interests in foreign currency was CZK 2,289 million (2023: CZK 2,258 million).

19. INVESTMENT SECURITIES

(a) Investment securities for trading

Fair value	31/12/2024	31/12/2023
Shares		
– domestic	309	549
– foreign	116	130
Bonds		
– domestic	5,452	3,442
– foreign	1,311	675
Allotment certificates		
– domestic	42	101
– foreign	5	43
Total	***7,235***	***4,940***
Shares		
– listed	425	679
Bonds		
– listed	6,763	4,117
Allotment certificates		
– listed	42	101
– not listed	5	43
Total	***7,235***	***4,940***
Shares		
– financial institutions	187	196
– corporate	238	482
– insurance companies	-	1
Bonds		
– government	5,123	2,995
– financial institutions	951	705
– corporate	689	417
Allotment certificates		
– financial institutions	47	144
Total	***7,235***	***4,940***
Shares		
– Level 1	424	629
– Level 2	-	49
– Level 3	1	1
Bonds		
– Level 1	5,783	3,206
– Level 2	782	348
– Level 3	198	563
Allotment certificates		
– Level 1	18	101
– Level 2	29	43
Total	***7,235***	***4,940***

Foreign bonds as at 31 December 2024 mainly included non-government bonds of CZK 1,015 million (2023: CZK 644 million) issued by companies from the following states and in the following amounts: Slovakia of CZK 828 million (2023: CZK 456 million), Malta of CZK 163 million (2023: CZK 176 million), and Luxembourg of CZK 24 million (2023: CZK 7 million).

Foreign government bonds of CZK 296 million (2023: CZK 31 million) include Slovak government bonds of CZK 266 million (2023: CZK 0 million) and Polish government bonds of CZK 30 million (2023: CZK 28 million).

(b) Investment securities mandatorily at fair value through profit or loss

Fair value	31/12/2024	31/12/2023
Allotment certificates		
– domestic	7,216	7,355
– foreign	2,617	1,859
Total	***9,833***	***9,214***
Allotment certificates		
– listed	-	577
– not listed	9,833	8,637
Total	***9,833***	***9,214***
Allotment certificates		
– financial institutions	9,833	9,214
Total	***9,833***	***9,214***
Allotment certificates		
– Level 1	-	577
– Level 2	2,006	1,502
– Level 3	7,827	7,135
Total	***9,833***	***9,214***

Foreign allotment certificates include the Malta certificates of CZK 2,533 million (2023: CZK 1,820 million) and Luxembourg allotment certificates of CZK 84 million (2023: CZK 39 million).

(c) Investment securities at fair value through other comprehensive income

Fair value	31/12/2024	31/12/2023
Shares		
– domestic	710	649
– foreign	238	171
Bonds		
– domestic	7,385	6,259
– foreign	1,391	3,704
Total	***9,724***	***10,783***
Shares		
– listed	947	820
– not listed	1	-
Bonds		
– listed	8,432	9,649
– not listed	344	314
Total	***9,724***	***10,783***

Fair value	31/12/2024	31/12/2023
Shares		
– corporate	948	820
Bonds		
– government	5,995	5,945
– financial institutions	1,391	1,315
– corporate	1,390	2,703
Total	***9,724***	***10,783***
Shares		
– Level 1	759	649
– Level 2	188	171
– Level 3	1	-
Bonds		
– Level 1	6,093	6,878
– Level 2	1,391	-
– Level 3	1,292	3,085
Total	***9,724***	***10,783***

Foreign shares comprise Slovak shares of CZK 188 million (2023: CZK 109 million), Swiss shares of CZK 49 million (2023: CZK 62 million), and Belgian shares of CZK 1 million (2023: CZK 0).

Foreign bonds comprise Slovak bonds of CZK 827 million (2023: CZK 3,180 million) and Maltese bonds of CZK 564 million (2023: CZK 524 million).

Shares at fair value through other comprehensive income comprise shares of companies in the following sectors:

	2024		2023	
in millions of CZK	Fair value	Dividends received	Fair value	Dividends received
Energy and manufacturing industry	364	16	375	46
Defence industry	396	15	336	15
Travel and tourism	188	-	109	-
Total	***948***	***31***	***820***	***61***

In 2024, shares from this portfolio of the Bank's investment securities were sold in the amount of CZK 5 million (2023: CZK 0). The cumulative impact on other comprehensive income was insignificant.

The Bank classifies bonds measured at FVOCI into internal rating groups, taking into account a number of factors. The following table summarises these bonds by stages.

Risk category	Very low risk	Low risk	Medium risk	Total
Stage 1	5,944	827	1,955	8,776
Total as at 31/12/2024	***5,944***	***827***	***1,955***	***8,776***
Stage 1	-	5,945	2,941	8,886
Stage 2	-	-	1,077	1,077
Total as at 31/12/2023	***-***	***5,945***	***4,018***	***9,963***

More detailed information on bonds as at 31 December 2024 including expected credit losses and gross carrying amounts are disclosed in note 22 and 23.

(d) Investment securities at amortised cost

in millions of CZK	Gross carrying amount	ECL Stage 1	ECL Stage 2	ECL Stage 3	POCI	Net carrying amount
Bonds						
– domestic/listed/government	13,402	(3)	-	-	-	13,399
– foreign/listed/government	15,773	(18)	-	-	-	15,755
Total as at 31/12/2024	***29,175***	***(21)***	***-***	***-***	***-***	***29,154***
Bonds						
– domestic/listed/government	4,540	-	-	-	-	4,540
Total as at 31/12/2023	***4,540***	***-***	***-***	***-***	***-***	***4,540***

Domestic government bonds with a gross value of CZK 13,402 million (2023: CZK 4,540 million) have maturities ranging from 2025 to 2036. Expected credit losses for these bonds amount to CZK 3 million (2023: CZK 0 million).

Foreign bonds represent Slovak government bonds with a gross value of CZK 10,539 million and Romanian government bonds with a gross value of CZK 5,234 million and maturities between 2028 and 2035.

For the estimated fair value of investment securities at amortised cost see note 39.

The Bank classifies bonds at amortised cost into internal rating groups, taking into account a number of factors. The following table summarises these bonds by stages.

	Risk category	Very low risk	Low risk	Medium risk	**Total**
Stage 1		23,933	5,221	-	29,154
	Total as at 31/12/2024	***23,933***	***5,221***	***-***	***29,154***
Stage 1		-	4,540	-	4,540
	Total as at 31/12/2023	***-***	***4,540***	***-***	***4,540***

(e) Investment securities valued at Level 3

The Group regularly monitors the classification of securities into the fair value hierarchy. The Bank always assesses the individual ISIN codes of investment securities according to the frequency and volume of trades. Thus, a situation may arise that securities of one issuer may be classified under Level 1, whereas securities of another issuer may be classified under Level 2 or 3, based on the criteria shown in an internal decision-making tree.

The following table shows a reconciliation of the opening and closing balances for Level 3 investment securities that are recorded at fair value:

in millions of CZK	*01/01/ 2024*	Revaluation to OCI	Revaluation to profit or loss	Transfer from/(to) Level 2	Additions	Disposals	FX move-ment	Interest income	*31/12/ 2024*
Investment securities for trading									
shares	1	-	-	-	-	-	-	-	1
bonds	563	-	-	(242)	153	(256)	(22)	2	198
Investment securities mandatorily measured at fair value through profit or loss									
allotment certificates	7,135	-	145	(399)	2,967	(2,117)	96	-	7,827
Investment securities measured at fair value through other comprehensive income									
shares	-	-	-	-	1	-	-	-	1
bonds	3,085	(11)	-	(1,315)	2,395	(2,886)	11	13	1,292
Total	***10,784***	***(11)***	***145***	***(1,956)***	***5,516***	***(5,259)***	***85***	***15***	***9,319***

in millions of CZK	01/01/ 2023	Revaluation to OCI	Revaluation to profit or loss	Transfer from/(to) Level 2	Additions	Disposals	FX move-ment	Interest income	31/12/ 2023
Investment securities for trading									
shares	2	-	(1)	-	-	-	-	-	1
bonds	1,132	-	12	(108)	118	(582)	(20)	11	563
Investment securities mandatorily measured at fair value through profit or loss									
allotment certificates	5,395	-	418	828	1,927	(1,638)	205	-	7,135
Investment securities measured at fair value through other comprehensive income									
bonds	2,972	31	-	-	-	(12)	57	37	3,085
Total	***9,501***	***31***	***429***	***720***	***2,045***	***(2,232)***	***242***	***48***	***10,784***

The following table sets out information about significant unobservable inputs used as at 31 December 2024 in measuring investment securities categorised as Level 3 in the fair value hierarchy:

Type of financial assets	Valuation technique	Significant unobservable input	Fair value as at 31/12/2024	Range of estimates	Fair value measurement sensitivity to unobservable inputs
bonds	discounted CF	Credit Spread		0.6%–2.3%	A significant increase may result in lower fair value
		Risk-free rate	1,490	2.17%–4%	
shares	discounted CF	Discount rates		8.9%–16.6%	A significant increase may result in lower fair value
		EBITDA growth coefficient	2	2%–4.1%	A significant increase may result in higher fair value
allotment certificates	net asset value	n/a	7,827	Investment based	A significant increase may result in higher fair value

The fair value of Level 3 allotment certificates is primarily based on unadjusted NAV values reported by third parties; therefore, significant unobservable inputs are not specifically quantified.

The following table sets out information about significant unobservable inputs used as at 31 December 2023 in measuring investment securities categorised as Level 3 in the fair value hierarchy:

Type of financial assets	Valuation technique	Significant unobservable input	Fair value as at 31/12/2023	Range of estimates	Fair value measurement sensitivity to unobservable inputs
bonds	discounted CF	Credit Spread		0.7%–1.7%	A significant increase may result in lower fair value
		Risk-free rate	3,648	2.4%–6.8%	
shares	discounted CF	Discount rates		9.9%–20.2%	A significant increase may result in lower fair value
		EBITDA growth coefficient	1	2%–4%	A significant increase may result in higher fair value
allotment certificates	net asset value	Expected CF from fund	7,135	Investment based	A significant increase may result in higher fair value

The following table illustrates the impact of the revaluation of the fair value of investment securities classified at Level 3 due to an increase or decrease in the interest rate by 1 and 200 basis points used in the calculation of the fair value of investment securities as at 31 December 2024:

in millions of CZK	+ 1 pp	- 1 pp	+ 200 pp	- 200 pp
Fixed bonds	(0.05)	0.05	(11.71)	9.14
Variable bonds	(0.05)	0.05	(9.65)	9.04
Zero-coupon bonds	-	-	(0.86)	0.92
Total bonds	**(0.10)**	**0.10**	**(22.22)**	**19.10**

The impact of interest rate changes on the calculation of fair values of investment securities as at 31 December 2023 is shown in the following table:

in millions of CZK	+ 1 pp	- 1 pp	+ 200 pp	- 200 pp
Fixed bonds	(0.41)	0.41	(80.66)	84.92
Variable bonds	(0.11)	0.11	(21.66)	21.75
Zero-coupon bonds	(0.13)	0.13	(25.97)	27.09
Total bonds	**(0.65)**	**0.65**	**(128.29)**	**133.76**

The effect of the remeasurement of fair values of the Level 3 investment securities as a result of an increase or decrease of some of the inputs used on the calculation of fair values is shown below:

	Effect on profit or loss		Effect on other comprehensive income	
in millions of CZK	Increase	Decrease*	Increase	Decrease*
Bonds 2024				
change in risk-free rates by 1 pp	-	-	-	-
change in risk-free rates by 200 pp	(6)	3	(16)	16
change in credit markups by 100 pp	(2)		(44)	
Shares 2024				
change in discount rates by 1 pp	(1)	2	-	-
change in EBITDA by 5 pp	1	(1)	-	-
Bonds 2023				
change in risk-free rates by 1 pp	-	-	(1)	1
change in risk-free rates by 200 pp	(22)	23	(108)	113
change in credit markups by 100 pp	(26)		(96)	
Shares 2023				
change in discount rates by 1 pp	(1)	2	-	-
change in EBITDA by 5 pp	1	(1)	-	-

** the impact of a 100 basis point decrease in credit markups is not monitored by the Bank*

20. REPURCHASE AND RESALE AGREEMENTS

(a) Resale agreements (reverse repurchase agreements)

The Bank purchases financial assets under agreements to resell them at future dates (“reverse repurchase agreements”). The seller commits to repurchase the same or similar instruments at an agreed future date. Ownership title to the securities serving as collateral is transferred from the entity to which a loan is provided. Reverse repurchases are entered into as a facility to provide funds to customers. As at 31 December 2024 and 31 December 2023 assets purchased pursuant to the agreements to resell them were as follows:

in millions of CZK	Fair value of assets held as collateral	Carrying amount of receivable	Repurchase date	Repurchase price
Loans to central banks (note 16)	104,020	106,225	up to 1 month	106,338
Loans and other advances to customers (note 21)	4,231	943	up to 1 month	947
Loans and other advances to customers (note 21)	1,340	883	up to 3 months	698
Total as at 31 December 2024	***109,591***	***108,051***		***107,983***

in millions of CZK	Fair value of assets held as collateral	Carrying amount of receivable	Repurchase date	Repurchase price
Loans to central banks (note 16)	125,704	131,282	up to 1 month	131,419
Loans and other advances to customers (note 21)	5,184	2,746	up to 1 month	2,757
Total as at 31 December 2023	***130,888***	***134,028***		***134,176***

(b) Repurchase agreements

Transactions where securities are sold under a repurchase agreement ("repurchase transaction") at a predetermined price are accounted for as loans collateralised by the securities. Ownership title to securities serving as collateral is transferred to the entity which is a loan provider. Securities transferred under repurchase agreements are reported within the respective items of securities in the Group's statement of financial position. The amount received from the transfer of securities under repurchase agreements is presented under "Deposits and loans from banks" or "Deposits from customers".

in millions of CZK	Fair value of assets provided as collateral	Carrying amount of liability	Repurchase date	Repurchase price
Loans from banks (note 28)	378	365	up to 1 month	365
Loans from banks (note 28)	4,346	3,845	up to 3 months	3,850
Total as at 31 December 2024	***4,724***	***4,210***		***4,215***
Loans from banks (note 28)	4,338	3,733	up to 3 years	3,780
Total as at 31 December 2023	***4,338***	***3,733***		***3,780***

Securities provided as collateral are bonds classified as financial assets at amortised cost, note 19d.

21. LOANS AND OTHER ADVANCES TO CUSTOMERS AT AMORTISED COST

31/12/2024	Stage 1	Stage 2	Stage 3	POCI	Gross carrying amount
Loans to customers	83,223	10,012	2,709	250	**96,194**
Receivables from reverse repurchase agreements with customers	1,826	-	-	-	**1,826**
Margin lending (debits)	13,002	-	-	-	**13,002**
Other receivables	636	472	18	-	**1,126**
Gross carrying amount	***98,687***	***10,484***	***2,727***	**250**	***112,148***
ECL	***(825)***	***(385)***	***(1,620)***	**33**	***(2,797)***
Net carrying amount	***97,862***	***10,099***	***1,107***	**283**	***109,351***

31/12/2023	Stage 1	Stage 2	Stage 3	POCI	Gross carrying amount
Loans to customers	75,873	7,558	3,380	352	**87,163**
Receivables from reverse repurchase agreements with customers	2,746	-	-	-	**2,746**
Margin lending (debits)	12,121	-	16	-	**12,137**
Other receivables	1,140	10	54	2	**1,206**
Gross carrying amount	***91,880***	***7,568***	***3,450***	***354***	***103,252***
ECL	***(809)***	***(318)***	***(1,875)***	***20***	***(2,982)***
Net carrying amount	***91,071***	***7,250***	***1,575***	***374***	***100,270***

Details of changes in gross carrying amounts of loans as well as movements in ECLs for 2024 and 2023 are disclosed in notes 22 and 23.

For further information about loans and advances to customers refer to note 41.

22. GROSS CARRYING AMOUNT OF FINANCIAL ASSETS

(a) Gross carrying amount of loans

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***91,880***	***7,568***	***3,450***	***354***	***103,252***
Transfers:					
– transfers to Stage 1	-	-	-	-	**-**
– transfers to Stage 2	(8,126)	8,126	-	-	**-**
– transfers to Stage 3	(174)	(752)	926	-	**-**
Increase due to origination and acquisition – gross	40,929	-	-	-	**40,929**
Movement in interest – accrued less paid (except for full repayment)	323	(5)	13	-	**331**
Partial repayment of the principal / drawing of loan during the reporting period	(1,592)	(441)	513	(11)	**(1,531)**
Financial assets derecognised during the period	(25,731)	(4,160)	(2,040)	(91)	**(32,022)**
Changes due to modification without derecognition (net)	63	28	-	(6)	**85**
Write-off and sale of receivables	(2)	-	(158)	(2)	**(162)**
Foreign exchange rate movements	1,117	120	23	6	**1,266**
Total as at 31 December 2024	***98,687***	***10,484***	***2,727***	***250***	***112,148***

"Increase due to origination and acquisition – gross" comprises an increase CZK 14,828 million in receivables from reverse repurchase agreements with customers and debits; "financial assets derecognised during the period" of CZK 14,883 million comprise a decrease in receivables from reverse repurchase agreements and debits. The remaining movements represent the newly provided loans or repayment of previously provided loans. "Write-off and sale of receivables" as at 31 December 2024 totalling CZK 162 million (2023: CZK 1,835 million) mainly represents the sale of receivables in the gross amount of CZK 160 million (2023: CZK 1,779 million).

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***92,732***	***9,585***	***4,442***	***409***	***107,168***
Transfers:					
– transfers to Stage 1	1,797	(1,813)	16	-	**-**
– transfers to Stage 2	(4,201)	4,298	(97)	-	**-**
– transfers to Stage 3	(2,178)	(265)	2,443	-	**-**
Increase due to origination and acquisition – gross	30,684	-	-	57	**30,741**
Movement in interest – accrued less paid (except for full repayment)	1,246	39	2	9	**1,296**
Partial repayment of the principal / drawing of loan during the reporting period	2,171	(793)	(233)	(12)	**1,133**
Financial assets derecognised during the period	(31,618)	(3,716)	(1,599)	(103)	**(37,036)**
Changes due to modification without derecognition (net)	68	88	238	(7)	**387**
Write-off and sale of receivables	(29)	-	(1,798)	(8)	**(1,835)**
Foreign exchange rate movements	1,208	145	36	9	**1,398**
Total as at 31 December 2023	***91,880***	***7,568***	***3,450***	***354***	***103,252***

"Increase due to origination and acquisition – gross" comprises an increase CZK 14,883 million in receivables from reverse repurchase agreements with customers and debits; "financial assets derecognised during the period" of CZK 18,568 million comprise a decrease in receivables from reverse repurchase agreements and debits. The remaining movements represent the newly provided loans or repayment of previously provided loans. "Increase due to origination and acquisition – gross" for POCI amounting to CZK 57 million represents loans with significant modifications. "Write-off and sale of receivables" as at 31 December 2023 totalling CZK 1,835 million (2022: CZK 600 million) mainly represents the sale of receivables in the gross amount of CZK 1,779 million (2022: CZK 536 million).

(b) Gross carrying amount of investment securities at FVOCI

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2024	***8,886***	***1,077***	**-**	**-**	***9,963***
Transfers:					
– transfers to Stage 2	(1,083)	1,083	-	-	**-**
Movement in interest – accrued less paid (except for full repayment)	(13)	7	-	-	**(6)**
Increase due to origination and acquisition – gross	2,670	-	-	-	**2,670**
Financial assets derecognised during the period	(1,670)	(2,182)	-	-	**(3,852)**
Fair value revaluation to OCI	(82)	(9)	-	-	**(91)**
Foreign exchange rate movements	68	24	-	-	**92**
Total as at 31 December 2024	***8,776***	**-**	**-**	**-**	***8,776***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2023	***1,543***	***2,384***	**-**	**-**	***3,927***
Transfers:					
– transfers to Stage 2	1,306	(1,306)	-	-	**-**
Movement in interest – accrued less paid (except for full repayment)	89	(1)	-	-	**88**
Increase due to origination and acquisition – gross	5,918	-	-	-	**5,918**
Financial assets derecognised during the period	-	(12)	-	-	**(12)**
Fair value revaluation to OCI	(24)	(16)	-	-	**(40)**
Foreign exchange rate movements	54	28	-	-	**82**
Total as at 31 December 2023	***8,886***	***1,077***	**-**	**-**	***9,963***

(c) Gross carrying amount of investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2024	***4,540***	**-**	**-**	**-**	***4,540***
Movement in interest – accrued less paid (except for full repayment)	118	-	-	-	**118**
Increase due to origination and acquisition – gross	24,505	-	-	-	**24,505**
Foreign exchange rate movements	13	-	-	-	**13**
Total as at 31 December 2024	***29,176***	**-**	**-**	**-**	***29,176***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2023	***4,531***	**-**	**-**	**-**	***4,531***
Movement in interest – accrued less paid (except for full repayment)	9	-	-	-	**9**
Total as at 31 December 2023	***4,540***	**-**	**-**	**-**	***4,540***

23. EXPECTED CREDIT LOSSES

(a) Loans and advances to customers at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***809***	***318***	***1,875***	***(20)***	***2,982***
Transfers:					
– transfers to Stage 1	7	(7)	-	-	**-**
– transfers to Stage 2	(83)	83	-	-	**-**
– transfers to Stage 3	(9)	(25)	34	-	**-**
Net change in credit risk	(132)	169	282	(25)	**294**
Changes due to modification without derecognition	63	28	-	(6)	**85**
New financial assets originated or purchased	251	-	-	-	**251**
Unwind of discount	-	-	(5)	(1)	**(6)**
Financial assets derecognised during the period	(93)	(193)	(442)	(9)	**(737)**
Use of allowances	(2)	-	(158)	28	**(132)**
Foreign exchange rate movements	14	12	34	-	**60**
Total as at 31 December 2024	***825***	***385***	***1,620***	***(33)***	***2,797***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***985***	***413***	***2,144***	***(18)***	***3,524***
Transfers:					
– transfers to Stage 1	64	(64)	-	-	**-**
– transfers to Stage 2	(196)	207	(11)	-	**-**
– transfers to Stage 3	(14)	(19)	33	-	**-**
Net change in credit risk	(231)	(272)	1,598	12	**1,107**
Changes due to modification without derecognition	68	88	238	(7)	**387**
New financial assets originated or purchased	200	-	-	1	**201**
Unwind of discount	-	-	(13)	-	**(13)**
Financial assets derecognised during the period	(70)	(33)	(343)	(85)	**(531)**
Use of allowances	-	-	(1,798)	78	**(1,720)**
Foreign exchange rate movements	3	(2)	27	(1)	**27**
Total as at 31 December 2023	***809***	***318***	***1,875***	***(20)***	***2,982***

Use of allowances for the year ended 31 December 2024 amounted to CZK 132 million (2023: CZK 1,720 million), mainly comprising the use of an allowance to cover the loss from sold receivables of CZK 160 million (2023: CZK 1,750 million) and the reversal of allowances recorded at the date of initial recognition of POCI due to the improvement in the financial situation of the Bank's clients of CZK 28 million (2023: negative CZK 87 million).

(b) Investment securities at fair value through other comprehensive income

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	***58***	***23***	**-**	**-**	***81***
Net change in credit risk	6	11	-	-	**17**
New financial assets originated or purchased	30	-	-	-	**30**
Financial assets derecognised during the period	(8)	(34)	-	-	**(42)**
Total as at 31 December 2024	***86***	**-**	**-**	**-**	***86***

The balance of CZK 86 million is already net of the deferred tax effect of CZK 18 million (see note 15).

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***37***	***112***	**-**	**-**	***149***
Transfers					
– transfers to Stage 2	9	(9)	-	-	**-**
Net change in credit risk	19	(72)	-	-	**(53)**
New financial assets originated or purchased	2	-	-	-	**2**
Foreign exchange rate movements	(9)	(8)	-	-	**(17)**
Total as at 31 December 2023	***58***	***23***	**-**	**-**	***81***

The balance of CZK 81 million is already net of the deferred tax effect of CZK 17 million (see note 15).

(c) Investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	**-**	**-**	**-**	**-**	**-**
Net change in credit risk	4	-	-	-	**4**
New financial assets originated or purchased	17	-	-	-	**17**
Total as at 31 December 2024	***21***	**-**	**-**	**-**	***21***

	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2023	***2***	**-**	**-**	**-**	***2***
Net change in credit risk	(2)	**-**	**-**	**-**	**(2)**
Total as at 31 December 2023	**-**	**-**	**-**	**-**	**-**

(d) Financial commitments and guarantees

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2024	***73***	***9***	***138***	***3***	***223***
Transfers					
– transfers to Stage 2	(25)	25	-	-	**-**
– transfers to Stage 3	(6)	-	6	-	**-**
Net change in credit risk	(79)	7	(25)	(3)	**(100)**
New financial assets originated or purchased	74	-	-	16	**90**
Financial assets derecognised during the period	(3)	(4)	(48)	(1)	**(56)**
Foreign exchange rate movements	1	-	4	-	**5**
Total as at 31 December 2024	***35***	***37***	***75***	***15***	***162***

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	**Total**
Total as at 1 January 2023	***62***	***7***	***92***	-	***161***
Transfers					
– transfers to Stage 2	(14)	14	-	-	**-**
– transfers to Stage 3	-	(1)	1	-	**-**
Net change in credit risk	(30)	(8)	55	3	**20**
New financial assets originated or purchased	59	-	-	-	**59**
Financial assets derecognised during the period	(6)	(3)	(12)	-	**(21)**
Foreign exchange rate movements	2	-	2	-	**4**
Total as at 31 December 2023	***73***	***9***	***138***	***3***	***223***

24. PROPERTY, PLANT AND EQUIPMENT

in millions of CZK	Land and buildings	Fixtures, fittings and equipment	Right-of-use assets: Land and buildings	Right-of-use assets: Equipment – cars	Total
Acquisition cost					
1 January 2023	**28**	**82**	**1,981**	**16**	***2,107***
Additions	-	42	16	2	***60***
Disposals	-	(26)	-	(5)	***(31)***
Change due to modification of IFRS 16	-	-	(90)	1	***(89)***
Foreign exchange differences	-	1	8	-	***9***
31 December 2023	***28***	***99***	***1,915***	***14***	***2,056***
Accumulated depreciation					
1 January 2023	**22**	**36**	**387**	**9**	**454**
Depreciation	1	7	147	4	***159***
Disposals	-	(4)	-	(4)	***(8)***
31 December 2023	***23***	***39***	***534***	***9***	***605***
Acquisition cost					
1 January 2024	**28**	**99**	**1,915**	**14**	***2,056***
Additions	1	9	9	-	***19***
Disposals	-	(20)	-	(3)	***(23)***
Change due to modification of IFRS 16	-	-	14	3	***17***
Foreign exchange differences	-	1	5	-	***6***
31 December 2024	***29***	***89***	***1,943***	***14***	***2,075***
Accumulated depreciation					
1 January 2024	**23**	**39**	**534**	**9**	**605**
Depreciation	1	10	143	4	***158***
Disposals	-	(5)	-	(3)	***(8)***
Foreign exchange differences	-	-	2	-	***2***
31 December 2024	***24***	***44***	***679***	***10***	***757***
Net book value					
31 December 2023	***5***	***60***	***1,381***	***5***	***1,451***
31 December 2024	***5***	***45***	***1,264***	***4***	***1,318***

The Bank did not record any property, plant and equipment under construction as at the end of 2024 and 2023.

Property is insured against theft and natural disaster.

25. INTANGIBLE ASSETS AND GOODWILL

in millions of CZK	Software	Other	**Total**
Acquisition cost			
1 January 2023	***780***	***10***	***790***
Additions	93	-	*93*
Disposals	(764)	(9)	*(773)*
Foreign exchange differences	1	1	*2*
31 December 2023	***110***	***2***	***112***
Amortisation and impairment losses			
1 January 2023	***585***	***1***	***586***
Amortisation for the year	51	1	52
Disposals	(614)	-	(614)
31 December 2023	***22***	***2***	***24***
Acquisition cost			
1 January 2024	***110***	***2***	***112***
Disposals	(90)	-	(90)
Foreign exchange differences	2	-	2
31 December 2024	***22***	***2***	***24***
Amortisation and impairment losses			
1 January 2024	***22***	***2***	***24***
Amortisation for the year	1	-	*1*
Disposals	(3)	-	*(3)*
31 December 2024	***20***	***2***	***22***
Carrying amount			
31 December 2023	***88***	***-***	***88***
31 December 2024	***2***	***-***	***2***

On 30 September 2023, the Bank disposed its whole IT Dept. and services to a subsidiary of J&T FINANCE GROUP SE. The sales price of the transaction was determined based on an expert opinion. The impact of the transaction is presented in Other operating income, note 13.

The Bank did not record any intangible assets under construction as at the end of 2024 and 2023.

26. LEASES

(a) Leases entered into as lessee

The Bank as lessee accounts for lease contracts pursuant to IFRS 16. For reconciliation of right-of-use assets from opening to closing balance refer to note 24, costs and income relating to leases are presented in notes 7 and 13.

(b) Leases entered into as lessor

The Bank does not report any significant receivables from non-cancellable operating leases at the end of 2024 and 2023.

27. OTHER ASSETS

in millions of CZK	31/12/2024	31/12/2023
Receivables from customers from securities trading	20,935	7,817
Advance payments – other	1,227	1,011
Other trade receivables	522	482
Prepayments and accrued income	415	292
Receivables from fees for portfolio management	-	91
Other receivables	55	52
Restricted cash (note 1)	24	28
Other assets	26	25
Expected credit losses on other assets	(20)	-
Total	***23,184***	***9,798***

28. DEPOSITS AND LOANS FROM BANKS

in millions of CZK	31/12/2024	31/12/2023
Deposits from banks	2,553	4,523
Loans from banks – repurchase agreements (note 20)	4,210	3,733
Total	***6,763***	***8,256***

Deposits from banks include current deposits, term deposits and other financial liabilities.

29. DEPOSITS FROM CUSTOMERS

in millions of CZK	31/12/2024	31/12/2023
Current accounts	37,946	43,345
Term deposits and escrow accounts	189,190	173,388
Total	***227,136***	***216,733***

30. ISSUED INVESTMENT SECURITIES

in millions of CZK	31/12/2024	31/12/2023
Investment securities issued at amortised cost	3,340	3,287
Investment securities issued at FVTPL	9	-
Total	***3,349***	***3,287***

On 26 October 2023, the Bank issued 120,000 pieces of bonds with nominal value of EUR 1,000 per piece. These unsecured non-convertible financial instruments were issued in EUR, effective interest rate is 7.5%, interest is paid annually. The bonds mature in 2026.

For the estimated fair value of issued bonds see note 39.

31. SUBORDINATED DEBT

in millions of CZK	31/12/2024	31/12/2023
Subordinated term deposits	2,107	1,256
Subordinated bonds issued	2,512	-
Total	***4,619***	***1,256***

	2024	2023
Interest expense for subordinated debt:	155	58
– of which interest paid	*143*	*51*

On 4 December 2024, the Bank issued subordinated ten-year bonds designated as J&T BANKA VAR/34 (ISIN: CZ0003709339) in the amount of CZK 2,500 million and a nominal value of CZK 10,000. For the first 5 years, the bonds bear a fixed interest rate of 6.25% p.a. paid annually; for the following 5 years, the yield will be variable at 6M PRIBOR +2.75% paid semi-annually. The bonds are traded on the Prague Stock Exchange.

The subordinated debt – term deposits from customers with a maturity up to 2028 bear an interest rate of 7.50% p.a. for contracts opened before 31 December 2023. For contracts concluded from 1 January 2024, the maturity is up to 2029 and they bear an interest rate from 4.25% p.a. to 7.5% p.a.

32. OTHER LIABILITIES

in millions of CZK	31/12/2024	31/12/2023
Payables to clients from securities trading	27,328	12,654
Accruals and deferred income	1,343	947
Lease liabilities	734	780
- *up to 1 year*	*94*	*91*
- *over 1 year*	*640*	*689*
Other tax liabilities	304	122
Trade payables	43	96
Payables to employees	61	50
Social security liabilities	28	22
Financial liabilities at fair value through profit or loss	1	39
Other liabilities	174	365
Total	***30,016***	***15,075***

Accruals and deferred income primarily consist of payables for outsourcing IT services of CZK 863 million (2023: CZK 660 million).

33. PROVISIONS

in millions of CZK	31/12/2024	31/12/2023
Provision for employee bonuses	1,370	1,272
Provision for off-balance sheet items	162	223
Stage 1	*34*	*72*
Stage 2	*37*	*8*
Stage 3	*91*	*139*
POCI	*-*	*4*
Provision for untaken holiday	39	35
Provision for loyalty programmes	-	32
Other provisions – long-term	252	-
Total	***1,823***	***1,562***

A provision for employee bonuses is established in relation to the approval of Bank employees' annual bonuses. The annual bonus is defined as variable benefit component of employee remuneration which the Bank may grant and pay to an employee in proportion to the job performance in the evaluated period, most commonly a year. It also comprises bonuses with deferred due payment. The Bank's remuneration policy is in accordance with the policies of risk management and remuneration in accordance with Decree 163/2014 Coll., on the performance of the activities of banks, credit unions and investment firms.

In 2024, the Bank created a provision of CZK 252 million due to a possible obligation arising from a potential dispute related to the Bank's credit exposure.

in millions of CZK	**Balance as at 01/01/2024**	Additions/ Creation	Use	Foreign exchange differences	**Balance as at 31/12/2024**
Provision for employee bonuses	**1,272**	1,167	(1,072)	3	**1,370**
Provision for off-balance sheet items – financing activities	**223**	90	(56)	(95)	**162**
Provision for loyalty programmes – customers	**27**	-	(27)	-	**-**
Provision for untaken holiday	**35**	35	(31)	-	**39**
Provision for loyalty programmes	**5**	5	(10)	-	**-**
Other provisions – long-term	**-**	252	-	-	**252**
Total	***1,562***	***1,549***	***(1,196)***	***(92)***	***1,823***

in millions of CZK	**Balance as at 01/01/2023**	Additions/ Creation	Use	Foreign exchange differences	**Balance as at 31/12/2023**
Provision for employee bonuses	**1,192**	788	(711)	3	**1,272**
Provision for off-balance sheet items – financing activities	**161**	60	(21)	23	**223**
Provision for loyalty programmes – customers	**27**	-	-	-	**27**
Provision for untaken holiday	**29**	15	(9)	-	**35**
Provision for loyalty programmes	**6**	5	(6)	-	**5**
Other provisions	**1**	-	(1)	-	-
Total	***1,416***	***868***	***(748)***	***26***	***1,562***

34. EQUITY

(a) Share capital

The share capital has been fully paid up and consists of:	**31/12/2024**	**31/12/2023**
10,637,126 ordinary shares with a nominal value of CZK 1,000 per share	10,637	10,637
700,000 ordinary shares with a nominal value of CZK 1.43 per share	1	1
Total	***10,638***	***10,638***

All the Bank's shares are book-entry registered shares and are freely transferable. 1,000 votes are associated with shares with a nominal value of CZK 1,000, 1.43 votes are associated with shares with a nominal value of CZK 1.43.

The rights and obligations of shareholders are regulated in Act No. 90/2012 Coll., the Business Corporations Act and Bank's Articles of Association. Each of the Bank's shareholders has a pre-emptive right to subscribe 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. The shareholder has a pre-emptive right to subscribe for those shares that have not been subscribed for by another shareholder in accordance with the Business Corporations Act.

As the Bank has only a sole shareholder, the General Meeting shall not be held and the shareholder shall act in the capacity of the General Meeting. In this case, the rights and obligations of the sole shareholder are identical to those of the General Meeting, whose powers are regulated in the company's valid Articles of Association and Act No. 90/2012 Coll., the Business Corporations Act.

(b) Retained earnings and other reserves

As at 31 December 2024, retained earnings and other funds amounted to CZK 21,624 million (2023: CZK 20,184 million). Retained earnings are distributable to the Bank's shareholders and are subject to the approval of the shareholders' general meeting. For details on the movement of retained earnings and other reserves, refer to the Statement of changes in equity.

Dividends

The Bank has not approved any specific dividend policy. The distribution of dividends, if any, is subject, for each accounting period, to assessment in terms of the possibilities and needs of the Bank, as well as in terms of the Bank's long-term business objectives. When assessing the payment of dividends, the goals to ensure a sufficient level of capital adequacy and further regulatory requirements, as well as the interests of the owners of shares, are all taken into account.

The owners of ordinary shares are entitled to the payment of approved dividends.

At the Annual General Meeting held on 23 April 2024, the sole shareholder approved the payment of dividends on ordinary shares as follows: dividend per share with a nominal value of CZK 1,000 in the amount of CZK 263.2042, and per share with a nominal value of CZK 1.43 in the amount of CZK 0.3764. Dividends were paid out in the total amount of CZK 2,800 million (2023: CZK 1,000 million), i.e. CZK 94.0015 per ordinary share of nominal value CZK 1 thousand and in the amount of CZK 0.1344 per ordinary share of nominal value CZK 1.43.

On 18 December 2024, the sole shareholder approved the distribution of the Bank's retained earnings in the amount of CZK 1,500 million to the sole shareholder of the Bank; the distribution of retained earnings was CZK 141.0023 per share with a nominal value of CZK 1,000 and CZK 0.2016 per share with a nominal value of CZK 1.43.

The allocation of the profit for 2024 will be approved at the General Meeting, and based on the proposal of the Bank's Board of Directors. The Bank's management assumes that a relevant part of profit for 2024 will be transferred to the special-purpose capital fund for the distribution of revenue from certificates that are part of the Bank's equity and the remaining part will be used based on a decision and approval by the General Meeting.

The Bank does not provide any employee incentive scheme involving the option to buy own shares, or remuneration in the form of equity options.

Capital funds

Capital funds consist of other capital funds created from profit or obtained through additional contributions to other capital funds from the Bank's sole shareholder, as well as the special-purpose Perpetuity fund designated for the payment of revenue from subordinated unsecured income certificates.

Additional contribution to other capital funds

As at 31 December 2024, the of funds in the form of additional contribution to other capital funds amounted to CZK 2,913 million (2023: CZK 2,913 million).

Perpetuity fund

On 30 June 2014, the Bank's Board of Directors approved the establishment of a special-purpose capital fund for the payment of revenue from certificates of CZK 100 million. This fund was created from retained earnings. In 2024, the Bank transferred another CZK 670 million (2023: CZK 772 million) within the distribution of profit for 2023. The payment of revenue from certificates depends on a decision of the Bank as the issuer and is governed by the conditions defined in the prospectus. In 2024, revenue of CZK 644 million (2023: CZK 632 million) was distributed from this fund. As at 31 December 2024, the special-purpose capital fund for the payment of revenue from certificates amounted to CZK 347 million (2023: CZK 321 million).

For details related to the subordinated unsecured income certificates, refer to Other equity instruments.

Revaluation reserve from financial assets at fair value through other comprehensive income

Gains and losses on revaluation of financial assets at fair value through other comprehensive income are recognised in equity as revaluation of assets and liabilities. As at 31 December 2024, a provision for the revaluation of these financial assets was negative, amounting to CZK 23 million (2023: negative CZK 71 million).

Other revaluation reserves

Other revaluation reserves present FX differences from the translation of the Slovak and the German branch's statements, as at 31 December 2024 equalled a negative amount of CZK 5 million (2023: CZK 11 million).

Assets and liabilities of the Bank's branches are translated to Czech crowns using a rate of exchange valid as at the reporting date. Income and expenses of the Bank's branches are translated to Czech crowns using the average rate of exchange for the relevant period.

(c) Other equity instruments

As at 31 December 2024, the volume of issued subordinated unsecured certificates without maturity dates (hereinafter referred to as "certificates") amounted to CZK 7,293 million (2023: CZK 8,868 million).

Certificates as at 31/12/2024

Name of certificate	ISIN	Issue date	Currency	Interest rate	Nominal value	Subscribed issue volume
J&T BK II 9% PERP	CZ0003704413	21/09/2015	CZK	9.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK 6.50% PERP	CZ0003706517	23/08/2021	CZK	6.50% p.a.	CZK 100,000	CZK 1,300 million
J&T BK 7.00% PERP	CZ0003707275	29/06/2022	EUR	7.00% p.a.	EUR 1,000	EUR 200 million

On 19 April 2024, the CNB granted the Bank, pursuant to Article 78 of the EU Regulation on prudential requirements for credit institutions (the "Regulation"), consent to the redemption of capital instruments with ISIN: CZ0003704249, in the total amount of CZK 1,000 million, as well as with ISIN: CZ0003704421, in the total amount of EUR 21 million. The consent was given following the Bank's request under Article 77(1) of the Regulation to redeem selected equity instruments included in the Tier 1 capital. The certificates with ISIN: CZ0003704421 were redeemed on 22 June 2024 in the amount of CZK 575 million denominated in EUR in the volume of EUR 21 million. The certificates with ISIN: CZ0003704249 were redeemed on 15 July 2024 in the amount of CZK 1,000 million.

Certificates as at 31/12/2023

Name of certificate	ISIN	Issue date	Currency	Interest rate	Nominal value	Subscribed issue volume
J&T BANKA 10% PERP	CZ0003704249	30/06/2014	CZK	10.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK II 9% PERP	CZ0003704413	21/09/2015	CZK	9.00% p.a.	CZK 100,000	CZK 1,000 million
J&T BK III 9% PERP	CZ0003704421	14/12/2015	EUR	9.00% p.a.	EUR 5,000	EUR 21 million
J&T BK 6.50% PERP	CZ0003706517	23/08/2021	CZK	6.50% p.a.	CZK 100,000	CZK 1,300 million
J&T BK 7.00% PERP	CZ0003707275	29/06/2022	EUR	7.00% p.a.	EUR 1,000	EUR 200 million

35. ANALYSIS OF CHANGES IN LIABILITIES FROM FINANCIAL CASH FLOWS

in millions of CZK	Subordinated debt	Lease liabilities	Bonds issued
Balance as at 1 January 2023	***256***	***898***	***301***
Changes in financial cash flows			
Repayment of debt	(1)	-	-
Issue of debt	1,000	-	2,967
Lease liabilities paid	-	(124)	-
Total changes in financial cash flows	***999***	***(124)***	***2,967***
Foreign exchange differences	**1**	**17**	**-**
Other changes	**(2)**	**(11)**	**(26)**
Related changes			
Interest expense	58	27	69
Interest paid	(56)	(27)	(24)
Total related changes and liabilities	**2**	**-**	**45**
Balance as at 31 December 2023	***1,256***	***780***	***3,287***
Balance as at 1 January 2024	***1,256***	***780***	***3,287***
Changes in financial cash flows			
Repayment of debt	(22)	-	(12)
Issue of debt	3,371	-	24
Lease liabilities paid	-	(82)	-
Total changes in financial cash flows	***3,349***	***(82)***	***12***
Foreign exchange difference	**-**	**14**	**1**
Other changes	**2**	**22**	**7**
Related changes			
Interest expense	155	42	258
Interest paid	(143)	(42)	(216)
Total related changes and liabilities	**12**	**-**	**42**
Balance as at 31 December 2024	***4,619***	***734***	***3,349***

To comply with the requirements, the Bank proceeded in 2024 to adjust the structure and names of selected captions in the cash flow statement to more accurately describe their content, including the adjustment of comparative balances for the comparability of individual periods, as illustrated in the table below:

CASH FLOWS FROM OPERATING ACTIVITIES	2023 cash flow as per last year's financial statements	Adjustment	2023 cash flow adjusted
Adjustments for:			
Net change in loss allowances for financial instruments	1,029	(8)	1,021
Net change in provisions for off-balance sheet items	60	(60)	-
Foreign exchange differences from losses resulting from impairment of loans	27	(27)	-
Ownership interests – remeasurement of hedged item / FV hedge	(60)	60	-
Fair value hedge of ownership interests	-	(60)	(60)
Securities measured at FVOCI – fair value hedge	50	(50)	-
Securities measured at FVOCI – losses from sale	(6)	6	-
Impairment of financial assets measured at FVOCI	(68)	68	-
(Increase) / decrease in operating assets			
Loans and other advances to customers	2,275	27	2,302
Financial assets at FVOCI	(150)	150	-
Prepayments and accrued income	(7,321)	7,321	-
Other assets	-	(7,427)	(7,427)
Total	***(4,164)***		***(4,164)***

To more accurately describe the content of the statement of cash flows, the Bank changed the caption titles as follows: "Net book value of property, plant and equipment and intangible assets sold" to "Net profit from the sale of property, plant and equipment and intangible assets"; "Deferred income, accrued expenses and other liabilities (without provisions)" to "Other liabilities"; and "Income tax paid" to "Income taxes paid". The adjustments made did not impact the content of individual items, and therefore it was not necessary to adjust the comparative balances.

36. FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

Loan commitments relate to loans granted by the Bank. The financial guarantees provided generally represent various guarantees issued in connection with loans, bills of exchange issued by other parties, lease agreements, and other third-party liabilities and are stated at the amount of the potential future obligation.

Maximum credit risk exposure for loan commitments and financial guarantees:

2024	Stage 1	Stage 2	Stage 3	POCI	Total
Bank commitments	7,402	342	167	-	***7,911***
Granted guarantees	3,920	972	53	24	***4,969***

2023	Stage 1	Stage 2	Stage 3	POCI	Total
Bank commitments	7,089	121	177	15	***7,402***
Granted guarantees	3,839	141	115	-	***4,095***

37. ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

in millions of CZK	31/12/2024	31/12/2023
Assets under management		
Assets under investment management with right of disposal	6,879	8,109
Assets under administration		
Other administrative assets	398,499	312,264
Total	***405,378***	***320,373***
Of which Assets under administration entrusted to third parties	*61,226*	*61,545*

The year-on-year growth in assets under management is aligned with the Bank's strategy, which emphasizes the ongoing expansion of these assets. Assets under management are measured at fair value for quoted financial instruments. If these are not quoted, debt and equity financial instruments are valued at amortised cost or using common valuation techniques (e.g. pricing models with market inputs as available), respectively.

Assets under management

Assets under management represent the total market value of investments that the Bank manages on behalf of clients. These assets are actively managed by fund managers and portfolio managers with fiduciary responsibility and authority to make investment decisions on behalf of investors.

Securities, valuation rights, precious metals and other fiduciary investments of third parties under investment management over which the Bank has disposal rights represent both assets deposited with the Bank companies and assets deposited with third parties over which the Bank companies have disposal rights.

Assets under management are charged by a fee combined from a fixed management fee from the volume of managed assets and a performance fee.

Assets under administration

Assets under administration are total clients' assets provided by additional investment services of administration and safekeeping of investment instruments. Assets are owned and managed by clients who have entered into an agreement with the Bank as the provider of assets administration and safekeeping services.

The Bank has no right to make investments decisions on behalf of clients. Assets under administration are charged by a fee for safekeeping investment instruments according to the Bank's price list and the Bank's reward mechanism.

Assets under administration entrusted to third parties

These assets are foreign securities handed over to other banks or foreign investment firms for administration. In order to refine the reporting of assets under administration, the Bank has proceeded to recognise assets transferred to other entities for administration.

38. RELATED PARTIES

The outstanding balances and transactions with related parties of the Bank are presented in the following tables. All material transactions with related parties were carried out based on the arm's length principle.

The transactions with the related parties are divided into the following categories:

I. Parent company J&T FINANCE GROUP SE.
II. Owners of J&T FINANCE GROUP SE and companies they own. These companies do not prepare consolidated financial statements that would include the Bank, with the exception of J&T FINANCE GROUP SE.
III. Subsidiaries. This category includes subsidiaries of J&T FINANCE GROUP SE which are included in its consolidated financial statements and the subsidiaries of the Bank.
IV. Associates and joint-ventures. This category includes associates and joint ventures of the Bank and J&T FINANCE GROUP SE.
V. Key management personnel of the Bank or its parent and companies controlled or jointly controlled by this key management personnel. This category includes related parties which are connected to the Bank through key management personnel of the Bank or its parent.

Balance and off–balance sheet items

As at 31 December 2024	I.	II.	III.	IV.	V.	Total
Receivables	7	32	3,388	-	2,800	**6,227**
Liabilities	1,751	261	3,051	4	742	**5,809**
Granted guarantees	-	-	-	-	46	**46**
Received guarantees	-	-	85	-	247	**332**
Provided loan commitments	1,486	7	716	-	154	**2,363**
Received collaterals	-	1	13	-	1,206	**1,220**
Profit / (loss) items						
Expenses	(1,647)	(9)	(1,600)	-	(239)	**(3,495)**
Income	1,470	10	535	33	362	**2,410**

As at 31 December 2023	I.	II.	III.	IV.	V.	Total
Receivables	5	69	2,840	262	2,417	**5,593**
Liabilities	487	162	401	81	531	**1,662**
Granted guarantees	-	-	-	5	43	**48**
Received guarantees	427	-	32	-	247	**706**
Provided loan commitments	1,465	41	102	-	436	**2,044**
Received collaterals	-	-	-	250	474	**724**
Profit / (loss) items						
Expenses	(2,430)	(4)	(1,916)	(2)	(105)	**(4,457)**
Income	2,658	15	1,475	22	224	**4,394**

Receivables from related parties consist primarily of loans and overdrafts. Payables to related parties especially include term deposits, deposits payable on demand, savings and tied deposits. Revenues and expenses consist mainly of gains/losses on currency derivatives, interest income, income from fees and commission and brokering fees.

Receivables/payables from/to the Bank's key management personnel

in millions of CZK	31/12/2024	31/12/2023
Provided loans	477	246
Deposits received	250	10

The members of the Board of Directors, Supervisory Board, Loan Committee, Investment Instrument Committee, Risk taker and ultimate shareholders represent the Bank's key executives.

The Bank's key management received no other remuneration in the form of short-term benefits, post-employment benefits, other long-term employee benefits, early termination benefits, or share-based payments.

Loans to the Bank's employees as at 31 December 2024 amounted to CZK 549 million (2023: CZK 337 million).

The loans provided to key management personnel and Bank's employees were provided on the arm's length basis.

39. FAIR VALUE INFORMATION

The main methods and assumptions used to estimate the fair values of financial assets measured at amortised cost are described in note 4.

Estimates of the fair value of financial assets measured at amortised cost, analysed according to the hierarchy that reflects the significance of the inputs used in the valuation were as follows:

31/12/2024	Level 1	Level 2	Level 3	Total fair value estimate	Carrying amount
Financial assets					
Cash, cash equivalents and due from banks and other financial institutions	-	118,209	-	118,209	118,209
Loans and other advances to customers	-	-	109,463	109,463	109,351
Investment securities at amortised cost	29,259	-	-	29,259	29,154
Financial liabilities					
Deposits and loans from banks	-	6,701	-	6,701	6,763
Deposits from customers	-	226,411	-	226,411	227,136
Investment securities issued at amortised cost	-	-	3,476	3,476	3,349
Subordinated debt	2,486	2,040	-	4,526	4,619

31/12/2023	Level 1	Level 2	Level 3	Total fair value estimate	Carrying amount
Financial assets					
Cash, cash equivalents and due from banks and other financial institutions	-	140,248	-	140,248	140,239
Loans and other advances to customers	-	-	109,631	109,631	100,270
Investment securities at amortised cost	4,333	-	-	4,333	4,540
Financial liabilities					
Deposits and loans from banks	-	8,227	-	8,227	8,256
Deposits from customers	-	216,393	-	216,393	216,733
Investment securities issued at amortised cost	2,988	-	320	3,308	3,287
Subordinated debt	-	1,190	-	1,190	1,256

40. RISK MANAGEMENT POLICIES

The strategy, main goals and processes

The fundamental goal of risk management is profit maximization with respect to the risk taken, while considering the Bank's risk appetite.

In doing so, it must be ensured that the outcome of Bank activities is predictable and in compliance with both business goals and risk appetite of the Bank.

In order to meet this goal, the risks faced by the Bank are managed in a quality and prudential manner within the framework of the Bank:

- In terms of the above, risks are monitored, assessed and eventually limited, at least as strictly as required by the Czech National Bank. The internal limits are regularly reviewed (especially in the case of significant changes of market conditions) to ensure their compliance with both the Bank's overall strategy and market and credit conditions. The adherence to the limits is monitored and reported daily (on an individual basis). In case of their potential breach, the Bank immediately adopts appropriate remedial measures.

- The Bank establishes goals for capital adequacy that it wants to attain over a specified time horizon (i.e. the level to which risks should be covered by capital) and threshold limits below which capital adequacy cannot decrease.

- The Bank establishes targets for selected indicators of liquidity that it wants to achieve in a specified time horizon, and certain limits, below which the system of liquidity indicators cannot decrease.

- The Bank establishes goals for other selected risk indicators (the risk of excessive leverage, the credit risk, the concentration risk, operational risk etc.) and threshold limits below which the system of indicators cannot decrease.

All internal limits have been approved independently of business units of the Bank. The key indicators (capital adequacy ratio, liquidity and other risk categories) and their limits are part of the Bank's Risk Appetite Statement.

Environmental sustainability, social responsibility and corporate management (ESG)

As part of the double materiality assessment process, the Bank assessed the following:

- Climate risks
    - physical climate-related risks for the Bank's own operations,
    - physical climate-related risks in the value chain, mainly related to loans and investments.
- Transition risks and opportunities for the Bank's own operations
    - transition risks and opportunities for the value chain, which are mainly loans and investments.

Using UNEP FI initiative guidelines and tools, the Bank performed an analysis of these risks.

The Bank identified significant climate risks only in the medium (30-40 years) and long-term time horizon (40-50 years) – see Chapter ESRS 2 SBM-3 in the Sustainability Report; it did not identify any climate risks in the short-term horizon and therefore does not expect significant adjustments to the carrying amounts of assets and liabilities in the following accounting period.

Climate risks are managed and monitored within the Bank by its Risk Management Department in cooperation with the Sustainability Committee.

The Bank has not yet assessed the financial impact of significant climate risks in the long and medium term because it does not have sufficient information to assess them. The Bank plans to make the assessment in the coming years and, if appropriate, take appropriate measures.

41. CREDIT RISK

The Bank's primary exposure to credit risk arises through its loans and advances and investment in securities. The amount of credit exposure in this regard is represented by the carrying amounts of the assets in the statement of financial position. In addition, the Bank is exposed to off-balance sheet credit risk through commitments and guarantees to extend credit.

Concentrations of credit risk (whether on or off balance sheet) that arise from financial instruments exist for groups of counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

(a) Forbearance

The Bank monitors the quality of loan receivables to customers according to categories performing and non-performing exposures forborne and non-forborne. The Bank treats forbearance in accordance with the Technical Standard on non-performing exposures and forbearance measures published by the European Banking Authority (EBA) and in accordance with the Public Statement of the European Securities and Markets Authority (ESMA) on the treatment of forbearance practices in the financial statements of the financial institutions prepared in accordance with International Financial Reporting Standards (IFRS).

Forbearance is an exposure where the Bank decides, due to the debtor's financial problems, to grant a concession which in other circumstances would not be granted. The concession may consist in the modification of the terms and conditions of the contract or in debt refinancing. The modification of terms and conditions may include, but is not limited to, a decrease in interest rate, reduction of the interest or principal, change in the repayment schedule (e.g. postponement of interest payment due date, temporary payment holiday, prolongation of the final due date of the loan, fee or accessories for the debtor, modification or non-monitoring of covenants, interest or instalment capitalisation, partial debt write-off). Any modification of terms and conditions or refinancing which is not result of debtor's financial problems cannot be interpreted as forbearance. Concessions may result in better interest risk management and mitigation of potential future loan losses.

Performing and non-performing exposures may also be recognised as exposures without concession provided no modification of terms and conditions or refinancing was made in respect to the given receivable.

Performing exposures comprise primarily exposures classified in Stage 1 and 2. Non-performing exposures comprise receivables with debtor's failure classified in Stage 3. Under special conditions defined by EBA, exposures in Stage 2 might also be categorised as non-performing exposures. If more than 20% of total debtor's exposure is overdue more than 90 days the Bank shall include all of the debtor's balance sheet and off-balance sheet exposures as non-performing. The Bank also evaluates the classification of debtors from the same group of related parties to verify the condition for being classified as non-performing exposure.

As at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Performing exposures	109,421	(1,177)	108,244
– *of which performing exposures forborne*	4,071	(27)	4,044
Non-performing exposures	2,727	(1,620)	1,107
– *of which non-performing exposures forborne*	1,482	(846)	636
Total	**112,148**	**(2,797)**	**109,351**

As at 31/12/2023	Gross carrying amount	ECL	Net carrying amount
Performing exposures	99,704	*(1,091)*	98,613
– *of which performing exposures forborne*	*3,045*	*(35)*	*3,010*
Non-performing exposures	3,548	(1,891)	1,657
– *of which non-performing exposures forborne*	*1,299*	*(571)*	*728*
Total	***103,252***	***(2,982)***	***100,270***

	2024	**2023**
Share of exposures forborne in the total loans provided to customers	4.95%	4.21%
Share of non-performing exposures in total loans to customers	2.43%	3.44%

(b) Concentration of loans to customers by economic sector

As at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Not forborne			
Non-financial institutions	61,720	(1,328)	60,392
Financial institutions	41,830	(595)	41,235
Households	3,042	(1)	3,041
Other	3	-	3
Total	***106,595***	***(1,924)***	***104,671***
Forborne			
Non-financial institutions	3,919	(288)	3,631
Financial institutions	1,607	(585)	1,022
Households	27	-	27
Total	***5,553***	***(873)***	***4,680***

As at 31/12/2023	Gross carrying amount	ECL	Net carrying amount
Not forborne			
Non-financial institutions	54,135	(1,448)	52,687
Financial institutions	42,627	(925)	41,702
Households	2,146	(3)	2,143
Total	***98,908***	***(2,376)***	***96,532***
Forborne			
Non-financial institutions	3,716	(305)	3,411
Financial institutions	578	(298)	280
Households	50	(3)	47
Total	***4,344***	***(606)***	***3,738***

(c) Concentration of loans to customers by industry

in millions of CZK	**2024**	**2023**
Real estate activities	28,121	22,436
Financial services	13,463	14,932
Production and distribution of electricity, gas and heat	11,680	11,972
Culture, sports, entertainment and recreation activities	10,721	11,127
Accommodation and food service activities	10,073	4,354
Manufacturing	9,919	9,990
Construction	8,399	6,907
Wholesale and retail	7,697	5,108
Private households and employed persons	2,194	1,216
Administrative and support service activities	2,028	1,717
Information and Communication Technologies	1,803	3,314
Water supply, services relating to water, waste management and redevelopment	1,213	1,252
Professional, scientific and technological activities	1,098	840
Mining and quarrying	630	875
Agriculture, forestry and fishing	220	224
Transportation and storage	40	3,329
Healthcare and social work	30	202
Other	22	475
Total	***109,351***	***100,270***

(d) Concentration of loans to customers by location

in millions of CZK	2024	2023
Czech Republic	42,079	31,110
Cyprus	23,447	28,035
Slovakia	13,033	9,014
Luxembourg	12,333	13,264
Croatia	3,990	3,915
Switzerland	3,751	4,590
Poland	2,739	1,813
Germany	2,023	2,389
Virgin Islands, Great Britain	1,582	-
USA	1,117	1,757
Cayman Islands	883	1,219
France	650	643
Great Britain	618	1,391
Malta	481	293
Maldives	243	262
Belgium	236	264
The Netherlands	142	150
Other	4	161
Total	***109,351***	***100,270***

(e) Concentration of loans to customers by location of project implementation and collateral

in millions of CZK	2024	2023
Czech Republic	55,442	50,553
Slovakia	17,859	12,358
Germany	7,137	7,537
Great Britain	5,026	5,394
Croatia	3,990	3,915
Romania	3,751	4,610
Spain	3,235	3,288
Poland	2,741	1,814
Cyprus	2,735	3,284
USA	2,451	2,498
Slovenia	1,103	1,578
Hungary	1,043	1,333
France	648	466
Tanzania	558	599
Italy	422	-
Austria	411	9
Maldives	243	262
Belgium	236	264
The Netherlands	30	8
Ukraine	-	164
Other	290	336
Total	***109,351***	***100,270***

The concentration of credit risk arising from repurchase agreements and loans to clients of brokers reflects the counterparty risk associated with securities and cash received as collateral.

(f) Credit risk associated with provided loans and repurchase agreements

As at 31 December 2024	Loans to banks	Repurchase agreements – financial institutions	Loans to customers	Debits and repurchase agreements – customers
Stage 1 and 2				
Gross amount	11,786	106,225	94,343	14,828
Expected credit losses	(1)	-	(1,210)	-
Stage 3				
Gross amount	-	-	2,727	-
Expected credit losses	-	-	(1,620)	-
POCI				
Gross amount	-	-	250	-
Expected credit losses	-	-	33	-
Total	***11,785***	***106,225***	***94,523***	***14,828***
Stage 1 and 2 – by maturity				
– to maturity date	11,785	106,225	92,785	14,828
– up to 1 month past due	-	-	348	-
– 1 to 2 months past due	-	-	-	-
Stage 3 – by maturity				
– to maturity date	-	-	650	-
– 1 to 2 months past due	-	-	7	-
– 3 to 6 months past due	-	-	60	-
– more than 12 months past	-	-	391	-
POCI – by maturity				
– to maturity date	-	-	282	-
Total	***11,785***	***106,225***	***94,523***	***14,828***

As at 31 December 2023	Loans to banks	Repurchase agreements – financial institutions	Loans to customers	Debits and repurchase agreements – customers
Stage 1 and 2				
Gross amount	8,779	131,282	84,581	14,867
Expected credit losses	(5)	-	(1,127)	-
Stage 3				
Gross amount	-	-	3,434	16
Expected credit losses	-	-	(1,875)	-
POCI				
Gross amount	-	-	354	-
Expected credit losses	-	-	20	-
Total	***8,774***	***131,282***	***85,387***	***14,883***
Stage 1 and 2 – by maturity				
– to maturity date	8,774	131,282	83,451	14,867
– up to 1 month past due	-	-	1	-
– 1 to 2 months past due	-	-	2	-
Stage 3 – by maturity				
– to maturity date	-	-	863	16
– up to 1 month past due	-	-	235	-
– 3 to 6 months past due	-	-	95	-
– 6 to 12 months past due	-	-	354	-
– more than 12 months past	-	-	12	-
POCI – by maturity				
– to maturity date	-	-	338	-
– 6 to 12 months past due	-	-	5	-
– more than 12 months past	-	-	31	-
Total	***8,774***	***131,282***	***85,387***	***14,883***

Receivables not past due are reported in the “To maturity date” line and the Bank does not anticipate any problems with the financial discipline of the counterparty. Receivables past due are reported in the appropriate columns according to their maturity.

The following table summarises receivables by internal rating.

Risk category	Stage 1	Stage 2	Stage 3	POCI	**Total**
Very low risk	163	-	-	-	163
Low risk	22	-	-	-	22
Medium risk	81,136	9,135	-	250	90,521
High risk	2,538	1,349	-	-	3,887
With default	-	-	2,727	-	2,727
Debits and reverse repurchase agreements – without rating	14,828	-	-	-	14,828
ECL	(825)	(385)	(1,620)	33	(2,797)
Total as at 31 December 2024	***97,862***	***10,099***	***1,107***	***283***	***109,351***

Risk category	Stage 1	Stage 2	Stage 3	POCI	**Total**
Low risk	980	-	-	-	980
Medium risk	75,823	5,316	-	-	81,139
High risk	210	2,252	-	256	2,718
With default	-	-	3,434	98	3,532
Debits and reverse repurchase agreements – without rating	14,867	-	16	-	14,883
ECL	(809)	(318)	(1,875)	20	(2,982)
Total as at 31 December 2023	***91,071***	***7,250***	***1,575***	***374***	***100,270***

(g) Sensitivity analysis for expected credit losses

The Bank performs various sensitivity analyses of expected credit losses. One set of sensitivity analysis represents change in ECL by changing in LGD and GDP parameters. The optimistic and pessimistic scenario reflects the amount of expected credit losses on a change of LGD by 10% and a change of GDP by 1%.

		Optimistic	Base	Pessimistic
Change in LGD	***ECL 2024***	(2,589)	(2,797)	(3,021)
	ECL 2023	(2,684)	(2,982)	(3,280)
Change in GDP	***ECL 2024***	(2,783)	(2,797)	(2,811)
	ECL 2023	(2,952)	(2,982)	(3,007)

The Bank also pursues sensitivity analysis for expected credit losses for PD change scenarios arising at 5%, 12.5%, 25% and 50% quantiles of GDP predictions, with each set of PDs equally weighted at 25%. The ECL values below represent the amount of expected credit losses as at 31 December 2024 if the Bank applied a 100% weighting to the PD set for that quantile, while the PD sets for the other GDP prediction scenarios would have a 0% weighting. For Stage 1 and 2, the impacts are calculated only for loans and investment securities that are not subject to management adjustments for crisis scenarios (see note 4).

		ECL per quantile			
	Base ECL 2024	5%	12.5%	25%	50%
Loans to customers	(2,797)	(2,822)	(2,808)	(2,792)	(2,768)
from this Stage 1 and 2	*(451)*	*(476)*	*(462)*	*(446)*	*(422)*
Bonds FVOCI and AC	(107)	(117)	(111)	(104)	(95)
from this Stage 1 and 2	*(58)*	*(68)*	*(62)*	*(55)*	*(46)*

		ECL per quantile			
	Base ECL 2023	5%	12.5%	25%	50%
Loans to customers	(2,982)	(3,035)	(3,008)	(2,975)	(2,910)
from this Stage 1 and 2	*(610)*	*(663)*	*(636)*	*(603)*	*(538)*
Bonds FVOCI and AC	(81)	(86)	(83)	(80)	(74)
from this Stage 1 and 2	*(48)*	*(53)*	*(50)*	*(47)*	*(41)*

(h) Collateral and credit enhancements for provided loans and repurchase agreements

The carrying amount of loans and repurchase agreements reported in the statement of financial position represents the maximum credit risk exposure. The carrying amount of collateral for loans and repurchase agreements presented below represents the collateral value adjusted by the collateral stress coefficient and is reported up to the carrying amount of the receivable. The Bank's policy is to require collateral from certain customers before loans can be drawn. Collateral value is monitored and revised on regular basis.

	31/12/2024		31/12/2023	
Carrying amount of collateral	Stage 1 and 2	Stage 3	Stage 1 and 2	Stage 3
To maturity date	**149,018**	**555**	**165,818**	**281**
– Guarantees	1,075	12	2,751	-
– Promissory notes	182	-	223	-
– Real estate	20,147	475	12,964	260
– Cash deposits	2,966	68	2,502	21
– Securities	12,496	-	13,808	-
– Other	2,561	-	2,682	-
– Securities received under reverse repurchase agreements	109,591	-	130,888	-
Past due	**-**	**473**	**14**	**399**
– Real estate	-	413	14	399
– Other	-	60	-	-

Other is mainly represented by movable assets and receivables.

For the purposes of reporting the collateral value of loans, the Bank only values promissory notes with a financial guarantee. The amount of collateral depends on the value of a guarantee provided by a promissory note holder.

The carrying value of securities received under reverse repurchase agreements is represented in the quoted market price of the securities.

The Bank did not receive any financial assets from indemnity claims based on loans in default.

(i) Credit risk processes

Evaluating the risk of failure of a counterparty is based on a credit analysis, processed by the Credit Risk Management department. These analyses provide conclusions for prompt measures when the counterparty's credit situation worsens or if the counterparty fails to comply with contractual conditions.

The results from the credit development analyses are reported to the Board of Directors or respective committee, which decides on adjustments of limits or relations with the counterparty (e.g. in the form of closing or limiting positions or adjustment of limits).

Credit risk of trading book is monitored on daily basis, while credit risk of banking book is monitored on regular basis, at least once a month by the Credit Risk Management department. The risk is calculated in accordance with Internal Capital Adequacy Assessment Process (ICAAP).

(j) Credit risk monitoring

Assessment of the credit risk in respect of counterparty or an issued debt instrument is based on an internal rating of the Bank. The rating is determined using the credit scale of either S&P or Moody's. If the counterparties or their debt are not externally rated, an internal rating is assigned based on the Bank scoring system.

The Bank's scoring system has thirteen rating levels based on a standardized point evaluation of relevant criteria, which describe the financial position of the contractual party and its ability and willingness to fulfil its credit obligations – in both cases including the expected development, as well as proposed conditions for effecting the transaction.

The Bank also evaluates financial and non-financial indicators that may not be monitored within the scoring system.

(k) Credit risk measurement

The Bank regularly analyses and monitors credit risk of the trading book. At a portfolio level, the credit risk of the trading book is managed primarily based on the Internal Rating Based (IRB) methodology. Credit risk of the investment book is quantified on the Standardized approach basis. Concentration risk is further calculated for both of the books (at the level of client, economically connected group, sector).

In order to assess the impact of extremely unfavourable credit conditions, the Bank performs credit development analyses. This enables identification of sudden potential changes in the values of open positions of the Bank that might arise as a result of events that are improbable, but possible.

For the trading portfolio, an impact of a sudden drop of credit rating by one level on open positions in bonds is evaluated.

The decrease in fair value at the end of the corresponding reporting period:

	31/12/2024	31/12/2023
Decrease of the trading portfolio value due to a rating migration by one credit class*	59	46

* in the Standard & Poor's scale

(l) Risk management of customer trades

The Bank prevents the possibility of a credit exposure arising from customer trades, i.e. trades which are transacted on the customer's account and where the Bank has the role of a commissioner (customer trades such as spot buy, spot sell, sell/buy or buy/sell) as follows:

1. The amount of the customer collateral is continuously held higher than the amount of the customer loan at least by a pre-specified minimum required haircut. The level of this haircut is assigned to every instrument.
2. Should the current collateralization of the customer portfolio fall below 30% of the minimum required haircut, the Bank closes all of the customer's positions immediately.
3. The Bank accepts only instruments of specified minimal creditworthiness as collateral for customer trades.

In addition, the Bank also restricts the total volume of individual instruments used as collateral.

42. CAPITAL MANAGEMENT

The Bank's strategy is to hold strong capital base in order to maintain the confidence of creditors and the market, while ensuring the future development of the business.

As of 1 January 2014, the capital adequacy ratios are calculated in accordance with Regulation (EU) no. 575/2013 of the European Parliament and Council Regulation (the "CRR").

Own funds (regulatory capital) of the Bank are analysed in two parts:

- Tier 1 capital, which consist of:
  - Common Equity Tier 1 capital (CET1), which includes paid-up ordinary share capital, share premium, retained earnings incl. interim profit, accumulated other comprehensive income, other transitional CET1 arrangements, net of goodwill, intangible assets and additional value adjustments, insufficient coverage for non-performing exposures;
  - Additional Tier 1 capital (AT1), which includes instruments (subordinated income certificates) issued in accordance with CRR.
- Tier 2 capital, which consists of eligible subordinated debt approved by Czech National Bank of CZK 4,036 million (31 December 2023: CZK 1,051 million).

From 1 January 2014 the capital adequacy ratios are calculated for CET1, Tier 1 capital and total regulatory capital. The value represents the ratio of capital to risk weighted assets (RWA). CNB also requires every institution to hold an additional capital conservation buffer of 2.5% and a countercyclical buffer on all the levels of regulatory capital.

The specific countercyclical capital buffer rate is calculated in accordance with Section 63 CNB decree No. 163/2014 Coll. and is calculated as a weighted average of the countercyclical buffer rates in effect in the jurisdictions to which the Bank has relevant risk exposures. It started to be relevant in 2017 when the Czech Republic and the Slovak Republic firstly set their countercyclical buffer rates. These have gradually been also set for other relevant states.

Minimum requirements for capital ratios for 31 December 2024 and 31 December 2023 are as follows:

	Minimum requirement	Capital conservation buffer	Countercyclical buffer	**Total requirement**
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.06%	8.06%
Tier 1 capital	6%	2.5%	1.06%	9.56%
Total regulatory capital 2024	***8%***	***2.5%***	***1.06%***	***11.56%***
Common Equity Tier 1 capital (CET1)	4.5%	2.5%	1.25%	8.25%
Tier 1 capital	6%	2.5%	1.25%	9.75%
Total regulatory capital 2023	***8%***	***2.5%***	***1.25%***	***11.75%***

Regulatory capital

Regulatory capital and equity reconciliation

The tables below summarize the composition of own funds (regulatory capital) and equity and capital ratios for 31 December 2024 and 31 December 2023, providing a complete reconciliation of individual items of regulatory capital to equity items.

As at 31 December 2024	Regulatory capital	Equity
Tier 1	**32,576**	**n/a**
CET 1	25,300	-
Share capital	*10,638*	*10,638*
Retained earnings and capital funds	*14,779*	*21,652*
Translation and revaluation reserve	*(27)*	*(28)*
(-) Intangible assets	*(2)*	-
(-) Insufficient coverage for non-performing exposures	*(56)*	-
(-) AVA	*(32)*	-
AT1	7,276	7,293
Tier 2	**4,036**	**n/a**
Total regulatory capital/equity	**36,612**	**39,555**

As at 31 December 2023	Regulatory capital	Equity
Tier 1	**35,598**	**n/a**
CET 1	26,730	-
Share capital	*10,638*	*10,638*
Retained earnings and capital funds	*16,320*	*20,244*
Translation and revaluation reserve	*(61)*	*(60)*
(-) Intangible assets	*(87)*	-
(-) Insufficient coverage for non-performing exposures	*(48)*	-
(-) AVA	*(32)*	-
AT1	8,868	8,868
Tier 2	**1,051**	**n/a**
Total regulatory capital/equity	***36,649***	***39,690***

Based on the approval of the Czech National Bank, the Bank included profit for the half-year ended 30 June 2023 to the regulatory capital in 2023. According to the Article 26 (2) of the CRR Regulation, the auditor performed the review of interim financial statements and the Group proceeded the analysis of the predictable paid dividends.

Based on the opinion of the Czech National Bank, retained earnings are reduced by the amount of the anticipated payment from subordinated income certificates (AT1 instruments) in the next four quarters not covered by a special-purpose fund for the payment of the income from those certificates before their inclusion in regulatory capital.

Risk weighted assets (RWA) and capital ratios

in millions of CZK	31/12/2024	31/12/2023
Central governments or central banks	1,198	1,688
Exposure to regional governments or local authorities	2	-
Institutions	483	361
Corporates	68,828	68,197
Retail	177	96
Secured by mortgages on immovable property	18,286	10,870
Exposures in default	1,567	2,723
Items associated with particular high risk	27,856	28,435
Deposits from institutions and corporates with short-term credit rating	526	70
Collective investments undertakings (CIU)	12,285	12,822
Shares	1,608	1,442
Other exposures	1,580	1,725
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**134,396**	**128,429**
Traded debt instruments	2,864	1,938
Shares	851	1,320
Position risk in collective investment undertakings (CIUs)	186	773
Foreign exchange	2,931	1,935
Total risk exposure amount for position, foreign exchange and commodity risks	**6,832**	**5,966**
Operational risk	18,089	13,028
Total risk exposure amount for credit valuation adjustment	280	147
Total risk exposure amount	**159,597**	**147,570**

Capital adequacy ratios

	31/12/2024	31/12/2023
Common Equity Tier 1 capital (CET1)	15.85%	18.11%
Tier 1 capital	20.41%	24.12%
Total regulatory capital	***22.94%***	***24.84%***

The Czech National Bank, as a local authority for crisis resolution, defines the most appropriate strategies for crisis resolution of institutions and determines the minimum requirement for capital and eligible liabilities of these institutions (MREL). MREL requirements are all set and monitored by the CNB for the Bank individually. The requirements for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are comfortably met by the Bank.

	31/12/2024	31/12/2023
Leverage ratio	9.97%	11.85%
Liquidity ratios		
LCR	318.25%	413.26%
NSFR	181.42%	191.91%

The key goal of capital management of the Bank is to ensure that the risks faced do not threaten the solvency of the Bank and capital adequacy regulatory limit and internal limit compliance. The purpose for setting the minimum value for capital adequacy requirements is to establish a trigger mechanism, which provides a guarantee that the capital adequacy will not decrease to the regulatory minimum.

The compliance of the Bank capital with established limits and goals for the capital adequacy is evaluated regularly by the Asset and Liability Committee (ALCO) committee and the Bank 's management. The decision-making power with regard to eventual measures that should be implemented to decrease the level of exposed risk (e.g. decreasing the size of risks, acquiring additional capital, etc.) is given to the Board of Directors.

43. LIQUIDITY RISK

Liquidity risk represents the risk that the Bank is not able to meet its liabilities as they become due. The liquidity risk is managed in line with funding risk. Funding risk is the risk that the Bank will not be able to renew its commitments under favourable conditions. The Bank takes a highly prudent approach to managing liquidity and funding risk: on the one hand, the Bank holds a significant portion of its assets in high-quality liquid assets (e.g. deposits with central banks, other claims on central banks, and government bonds and treasury bills), and on the other hand, the Bank's funding comes primarily from customer deposits, which are considered as a highly stable source of funding, and their maturity structure provide a natural hedge of liquidity and funding risk.

The main tools for managing liquidity and funding risk are regulatory indicators of liquidity coverage ratio (LCR) and net stable funding ratio (NSFR), and internal indicators – in the area of liquidity risk, survival indicators in liquidity scenarios and in the area of funding risk, indicators of the ratio of loans to customer deposits and the ratio of retail deposits to total customer deposits, and a set of indicators related to the portfolio of term deposits from customers.

From a liquidity risk management perspective, the main objective is to ensure that the Bank has sufficient, high-quality liquid assets to meet all liabilities as they become due even in the event of a very adverse scenario. For liquidity risk management purposes, the Bank uses three groups of scenarios:

1. expected (base) scenario,
2. risk scenarios (idiosyncratic, systemic, and combined),
3. stress scenarios (outflow scenario for all payables and outflow scenario for all selected payables).

In the expected and risk scenarios, the realization of the Bank's planned asset transactions (such as disbursement of new loans or purchase of securities) is considered, but growth in deposit volumes is not assumed. In stress scenarios, the realization of planned asset transactions is not considered, but on the contrary, incoming cash flows other than transactions with other banks (primarily the settlement of repo trades with central banks) are not considered.

For the purposes of use in scenarios, the Bank generally assumes that outgoing cash flows from liabilities without a specified maturity will be made at the earliest possible date, and that for obligations with a maturity date, the related cash flows will be made in full at the maturity date. The most significant exceptions in this regard are non-maturity deposits from customers (deposits in current accounts, savings accounts, and deposits with a notice period) and selected term deposits from customers. To determine cash outflows from non-maturing deposits from customers in the expected scenario and in risk scenarios, the Bank uses behavioural modelling and expert approaches. For selected term deposits, it is assumed in the expected scenario and in risk scenarios that, based on historical experience and current observation, they will be renewed at maturity at a rate that depends on the level of stress assumed in the given scenario.

The Bank takes a cautious approach to incoming cash flows in liquidity scenarios, generally only including incoming cash flows that the Bank has no information to suggest will not occur, and at the earliest at the maturity date. The Bank also does not consider incoming cash flows from assets whose renewal is expected at maturity, or from newly realized asset transactions in liquidity scenarios.

The Bank evaluates survival in liquidity scenarios and liquidity gaps on a daily basis, both overall and for individual major currencies (CZK and EUR) and collectively for other currencies. For selected liquidity scenarios, the Bank sets survival limits, which are monitored daily. The Bank also monitors the outlook for meeting survival limits in scenarios unde the assumption that its balance sheet develops in line with the expected scenario. If actual or potential breaches of the set internal liquidity limits are identified, the Asset and Liability Management Committee (ALCO) is informed in order to ensure compliance with the set limits. In specified cases, the Board of Directors is also informed.

The Bank has a contingency plan for liquidity management, which sets out the procedure in case of an unpredictable outflow of its primary funding. The decision-making authority is entrusted to the Board of Directors or ALCO based on internal rules.

From a funding risk perspective, the Bank needs to have sufficient stable funding for its long-term assets. To this end, the Bank regularly monitors its need for stable funding and estimates its development, and also monitors the state of its stable funding from customer deposits. For term deposits that it considers a source of stable funding the Bank monitors their volume, volume-weighted residual maturity, and sets a system of limits and the volume of these deposits with a residual maturity over 1 year. As of 31 December 2024, the Bank has set a lower limit on the volume of these term deposits, and it also requires that the volume-weighted residual maturity of these term deposits be at least 1 year – both of these limits are met. The Bank also monitors the development of non-maturing deposits from customers, which it considers stable funding. For these deposits, the Bank primarily monitors the historical stability of these deposits at the level of individual customers.

Overall, the Bank's liquidity and refinancing position as of 31 December 2024 is very conservative. The values of the monitored indicators for managing liquidity and funding risk are well above the set limits. The overview of contractual maturities illustrates that the Bank finances its long-term assets on a contractual basis with shorter liabilities, resulting in maturity transformation. However, the actual maturity of customer deposits is much longer than their contractual maturity, and customer deposits have been and are a stable source of funding. In this respect, the Bank's funding model is in line with industry standards.

The Bank has an obligation to report to the Czech National Bank, to which it regularly submits a set of indicators related to liquidity and funding, information on their management, and also on the management of related risks.

The table shows the liquidity risk based on remaining maturity dates.

31/12/2024	Gross carrying amount	Contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undefined maturity
Assets							
Cash, cash equivalents and due from banks and other financial institutions	118,210	118,376	118,125	13	238	-	-
Investment securities (excl. derivatives)	55,967	70,511	5,255	1,447	16,677	35,879	11,253
Loans and other advances to customers	112,148	128,534	28,447	31,503	59,509	9,075	-
Other assets	23,203	23,203	21,878	1,254	15	-	56
Total	***309,528***	***340,624***	***173,705***	***34,217***	***76,439***	***44,954***	***11,309***
Off balance							
Bank commitments	7,911	7,911	4,786	265	2,560	300	-
Bank guarantees	4,969	4,969	4,969	-	-	-	-
Liabilities							
Deposits and loans from banks	6,763	6,769	6,769	-	-	-	-
Deposits from customers	227,136	235,943	168,903	37,994	27,366	1,680	-
Lease liabilities	734	949	46	87	421	395	-
Issued investment securities	3,349	4,241	-	259	3,982	-	-
Subordinated debt	4,619	6,725	93	268	3,094	3271	-
Other liabilities	29,282	29,282	29,145	107	30	-	-
Total	***271,883***	***283,909***	***204,956***	***38,715***	***34,893***	***5,346***	***-***
Net liquidity position	***37,645***	***56,715***	***(31,251)***	***(4,498)***	***41,546***	***39,608***	***11,309***
Cumulative liquidity position			***(31,251)***	***(35,749)***	***5,797***	***45,405***	***56,714***

Derivatives – non-discounted cash flows

31/12/2024	Carrying amount	Contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years
Assets					
FX derivatives – inflow	2,995	2,995	733	732	1,530
Cross currency derivatives	71				
– inflow	-	939	514	425	-
– outflow	-	(863)	(492)	(371)	-
Interest rate derivatives	247	247	-	40	207
Total	***3,313***	***3,318***	***755***	***826***	***1,737***
Liabilities					
FX derivatives – outflow	1,498	1,498	878	351	268
Cross currency derivatives	70				
– inflow	-	863	493	371	-
– outflow	-	(938)	(514)	(424)	-
Interest rate derivatives	50	50	-	25	25
Other – outflow	5	5	-	-	5
Total	***1,623***	***1,478***	***857***	***323***	***298***

31/12/2023	Gross carrying amount	Contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Undefined maturity
Assets							
Cash, cash equivalents and due from banks and other financial institutions	140,244	140,460	140,113	90	257	-	-
Investment securities (excl. derivatives)	29,476	37,874	321	631	13,686	12,380	10,856
Loans and other advances to customers	103,252	122,507	25,923	22,287	69,766	4,531	-
Other assets	9,798	9,798	8,675	1,068	-	-	55
Total	***282,770***	***310,639***	***175,032***	***24,076***	***83,709***	***16,911***	***10,911***
Off balance							
Bank commitments	7,402	7,402	4,201	718	2,220	263	-
Bank guarantees	4,095	4,095	4,095	-	-	-	-
Liabilities							
Deposits and loans from banks	8,256	8,303	4,523	-	3,780	-	-
Deposits from customers	216,733	227,183	146,248	46,364	32,999	1,572	-
Lease liabilities	780	978	38	82	397	461	-
Issued investment securities	3,287	3,403	-	64	3,339	-	-
Subordinated debt	1,256	1,637	100	64	1,473	-	-
Other liabilities	14,295	14,295	14,151	120	24	-	-
Total	***244,607***	***255,799***	***165,060***	***46,694***	***42,012***	***2,033***	***-***
Net liquidity position	***38,163***	***54,840***	***9,972***	***(22,618)***	***41,697***	***14,878***	***10,911***
Cumulative liquidity position			***9,972***	***(12,646)***	***29,051***	***43,929***	***54,840***

Derivatives – non-discounted cash flows

31/12/2023	Carrying amount	Contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years
Assets					
FX derivatives – inflow	4,422	4,422	1,159	1,563	1,700
Cross currency derivatives	60				
– inflow	-	958	14	38	906
– outflow	-	(884)	(5)	(25)	(854)
Interest rate derivatives	295	295	1	2	293
Total	***4,777***	***4,791***	***1,169***	***1,578***	***2,045***
Liabilities					
FX derivatives – outflow	2,241	2,241	808	741	692
Cross currency derivatives	56				
– inflow	-	886	5	26	854
– outflow	-	(955)	(14)	(36)	(905)
Interest rate derivatives	137	137	1	2	134
Other – outflow	1	1	-	-	1
Total	***2,435***	***2,310***	***800***	***733***	***776***

Expected maturity

In general, contractual cash flows represent expected contractual future cash flows of financial instruments. Occasionally, the expected maturity differs from contractual one as historical experience shows that selected loans and deposits are prolonged. In addition, as outstanding balances on current accounts or deposits nearing its maturity date are usually not withdrawn on a daily basis and accounts are not cancelled at maturity date, the Bank regularly monitors the period and percentage of deposits that remain available and those that are prolonged. These ratios are used for managing the liquidity risk.

For loans, in the worst-case scenario, the latest possible repayment date is assumed, which is based on latest expected completion date of each particular project.

Loans whose refinancing is already being negotiated are recognised based on the expected refinancing date. The expected maturity of other financial assets and liabilities not disclosed below is similar to their contractual maturity.

31/12/2024	Net carrying amount	Expected cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Assets						
Loans and other advances to customers	109,351	125,738	27,167	30,941	58,686	8,944
Liabilities						
Deposits from customers	227,136	235,876	160,433	40,099	33,498	1,846

31/12/2023	Net carrying amount	Expected cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Assets						
Loans and other advances to customers	100,270	119,588	24,964	22,216	67,955	4,453
Liabilities						
Deposits from customers	216,733	227,058	139,311	47,587	38,384	1,776

44. MARKET RISK

Market risk is the risk of loss to the Bank arising from market movements in quoted market prices of investment instruments, exchange rates and interest rates. Market risk consists of the trading portfolio market risk and investment portfolio market risk.

Market risk of the trading portfolio includes:

- Interest rate risk;
- Foreign exchange risk;
- Other market risk (equity risk, commodity risk).

Further information on interest rate risk and foreign exchange risk is provided in note 45 and 46, respectively.

The Bank uses the Value at Risk ("VaR") methodology to evaluate market risk of its trading portfolio, the foreign currency ("FX") and commodity position using a confidence level of 99% and a horizon of 10 business days.

The risks are evaluated (on an individual basis) and compared to limits set by the Risk Management Dept. on a daily basis. If the limits are breached, the Financial Markets Dept. is informed, in order to ensure the compliance of the risk exposure with the limits. In pre-determined cases, the information is passed to the Board of Directors and Investment Committee.

The decision-making power is given by internal rules to the Board of Directors and Investment Committee.

The VaR statistics as of 31 December 2024 and 31 December 2023 are as follows:

	31/12/2024	31/12/2023
VaR market risk overall	77	49
VaR interest rate risk	22	21
VaR FX risk	70	42
VaR equity risk	15	32
VaR commodity risk	2	1

In order to assess the impact of extremely unfavourable market conditions, the Bank performs stress testing. This enables identification of sudden potential changes in the values of open positions of the Bank that might arise as a result of events that are improbable, but possible. As part of the stress testing, a short-term, medium-term and long-term historic shock scenario is applied to the trading portfolio, and the foreign currency and commodity positions of the Bank as a whole. These scenarios evaluate the deepest drop of the current portfolio value which would have happened in the previous two, five or fifteen years. The potential change in the fair value of the portfolio is monitored and assessed.

Change in the fair value of the trading portfolio including currency and commodity positions due to historic shock scenario:

	31/12/2024	31/12/2023
Short-term scenario	(120)	(197)
Medium-term scenario	(392)	(403)
Long-term scenario	(392)	(403)

The market risk of the investment portfolio consists mainly of interest rate risk.

The Bank performs stress testing of the investment portfolio using a standardised interest rate shock, i.e. an immediate decrease / increase in interest rates by 200 basis points ("bp") as for yield curves in all relevant currencies. The Bank distinguishes between internal and stress scenarios, within which various parallel and non-parallel movements are made.

45. INTEREST RATE RISK

Interest rate risk is the risk of a fluctuation in the value of a financial asset, liability, due to changes in market interest rates. The period for which the interest rate of a financial asset is fixed indicates the extent to which this instrument is sensitive to interest rate risk. The table below expresses the degree of sensitivity for each product class in the time until the current interest rate fixation expires, i.e. the shorter of the times to expected maturity or to the first re-fixing of the rate. The tables contain the main interest-sensitive items on both sides of the balance sheet.

Assets		Liabilities	
Product class	***maturity (years)***	***Product class***	***maturity (years)***
Term loans	0.21	Term deposits	1.18
Overdrafts	0.03	Savings deposits	0.67
Bonds	1.04	Current deposits	0.32
Resale agreements	0.02	Repurchase agreements	1.13
Margin trading	0.25	Terminated savings deposits	0.09
Credit cards	1.88	Terminated TD	0.10
Provided IB deposits	0.01	Received IB deposits	0.03
	0.15		**0.82**

The yield curves that arise from the input of the above-mentioned rates are used to determine the real values of securities, derivatives (including options), and other interest-sensitive instruments for accounting purposes and for internal risk management purposes. These calculations involve curves for both discounting to present value and for determining future floating rates.

For monitoring the general interest rate risk of the banking book, the Bank uses, among other measures, the economic value of equity indicator and the net interest income indicator. To monitor the sensitivity of the economic value of equity, an impact of relevant hypothetical scenarios of movements in yield curves is measured in terms of present value changes in interest-sensitive financial instruments held in the Bank's investment portfolio. The calculation is not performed with use of cash flow slotting method, but by the full revaluation method at a contract level. The net interest income (NII) indicator is used as the indicator of the Bank's earnings' sensitivity to market interest rates changes. For the calculation of the net interest income of the bank's investment portfolio, interest income and expenses for the following 12 months for individual financial instruments are aggregated, whereby exposures maturing before the end of the monitored horizon of 12 months are replaced at the assumed maturity. The replacement contracts are assumed to carry the same contractual parameters. The sensitivity of the investment portfolio to interest rate risk is then given as the difference in the results of the above-described metrics for alternative interest rate scenarios as compared to the expected base scenario.

The change in the present value of the investment portfolio in percentage points of equity and NII is as follows:

			2024	2023
Increase/(decrease) in present value of the investment portfolio due to a sudden change in interest rates by 200 bp	**Equity**	upward	(949)	2,668
		downward	1,407	(1,793)
	NII	upward	1,275	1,526
		downward	(901)	(1,585)

The above trend on the observed economic value exposure to interest rate risk has been observed mainly due to the strategic deployment of fixed income instruments throughout 2024 and the associated increase in the asset side of the portfolio.

As at 31 December 2024	Within 1 year	1 year to 5 years	Over 5 years	Maturity undefined	**Total**
Assets					
Cash, cash equivalents and due from banks and other financial institutions	114,335	-	17	3,857	**118,209**
Investment securities and positive fair value of derivatives	18,032	10,377	19,031	11,820	**59,260**
Ownership interests	-	-	-	2,740	**2,740**
Loans and other advances to customers	106,880	2,267	-	204	**109,351**
Total	***239,247***	***12,644***	***19,048***	***18,621***	***289,560***
Liabilities					
Deposits and loans from banks	6,763	-	-	-	**6,763**
Deposits from customers	202,009	24,110	1,017	-	**227,136**
Negative fair value of derivatives	1,325	298	-	-	**1,623**
Subordinated debt	1,486	2,052	1,081	-	**4,619**
Issued investment securities	29	3,311	9	-	**3,349**
Total	***211,612***	***29,771***	***2,107***	***-***	***243,490***
Net interest rate risk	***27,635***	***(17,127)***	***16,941***	***18,621***	***46,070***
Cumulative interest rate risk	***27,635***	***10,508***	***27,449***	***46,070***	

As at 31 December 2023	Within 1 year	1 year to 5 years	Over 5 years	Maturity undefined	Total
Assets					
Cash, cash equivalents and due from banks and other financial institutions	137,231	-	3	3,005	**140,239**
Investment securities and positive fair value of derivatives	11,879	10,913	81	11,381	**34,254**
Ownership interests	-	-	-	2,663	**2,663**
Loans and other advances to customers	94,273	5,609	20	368	**100,270**
Total	***243,383***	***16,522***	***104***	***17,417***	***277,426***
Liabilities					
Deposits and loans from banks	4,522	3,734	-	-	**8,256**
Deposits from customers	183,481	31,630	1,622	-	**216,733**
Negative fair value of derivatives	1,547	888	-	-	**2,435**
Subordinated debt	73	1,183	-	-	**1,256**
Issued investment securities	20	3,267	-	-	**3,287**
Total	***189,643***	***40,702***	***1,622***	***-***	***231,967***
Net interest rate risk	***53,740***	***(24,180)***	***(1,518)***	***17,417***	***45,459***
Cumulative interest rate risk	***53,740***	***29,560***	***28,042***	***45,459***	

46. FOREIGN EXCHANGE RISK

Assets and liabilities denominated in foreign currencies, including off-balance sheet exposures, represent the Bank’s exposure to currency risk. Both realized and unrealized foreign exchange gains and losses are reported directly in the income statement. The main tool used for managing foreign currency risk is the VaR methodology which is applied using a 99% confidence level and a ten-day holding period.

As at 31 December 2024

Assets	CZK	USD	EUR	Other	Total
Cash, cash equivalents and due from banks and other financial institutions	109,972	65	8,149	23	**118,209**
Investment securities and positive fair value of derivatives	31,326	954	26,900	80	**59,260**
Ownership interests	448	-	2,292	-	**2,740**
Loans and other advances to customers	13,252	6,552	85,582	3,965*	**109,351**
Total	**154,998**	**7,571**	**122,923**	**4,068**	**289,560**

** The item mainly includes a position in GBP and other currencies in individually insignificant amounts.*

Liabilities	CZK	USD	EUR	Other	Total
Deposits and loans from banks	1,315	15	5,419	14	**6,763**
Deposits from customers	126,953	3,464	95,825	894	**227,136**
Negative fair value of derivatives	1,618	-	5	-	**1,623**
Subordinated debt	4,566	-	53	-	**4,619**
Issued investment securities	297	-	3,052	-	**3,349**
Total	**134,749**	**3,479**	**104,354**	**908**	**243,490**
Long position of off-balance sheet instruments:					
items from derivative transactions	102,005	25,662	66,511	13,041	**207,219**
items from spot transactions with equity instruments	6	-	-	-	**6**
Short position of off-balance sheet instruments:					
items from derivative transactions	75,292	30,693	82,374	16,575	**204,934**
items from spot transactions with equity instruments	7	-	-	-	**7**
Open position asset/(liability)	**46,961**	**(939)**	**2,706**	**(374)**	**48,354**

As at 31 December 2023

Assets	CZK	USD	EUR	Other	Total
Cash, cash equivalents and due from banks and other financial institutions	133,666	87	6,462	24	**140,239**
Investment securities and positive fair value of derivatives	24,051	10	10,099	94	**34,254**
Ownership interests	413	-	2,250	-	**2,663**
Loans and other advances to customers	12,515	7,398	77,633	2,724*	**100,270**
Total	***170,645***	***7,495***	***96,444***	***2,842***	***277,426***

** The item mainly includes a position in GBP and other currencies in individually insignificant amounts.*

Liabilities	CZK	USD	EUR	Other	Total
Deposits and loans from banks	700	15	7,525	16	**8,256**
Deposits from customers	129,001	3,112	82,641	1,979	**216,733**
Negative fair value of derivatives	2,434	-	1	-	**2,435**
Subordinated debt	1,204	-	52	-	**1,256**
Issued investment securities	301	-	2,986	-	**3,287**
Total	***133,640***	***3,127***	***93,205***	***1,995***	***231,967***
Long position of off-balance sheet instruments:					
items from derivative transactions	68,094	6,724	54,716	15,780	**145,314**
items from spot transactions with equity instruments	23	-	7	-	**30**
Short position of off-balance sheet instruments:					
items from derivative transactions	55,509	11,055	59,285	17,067	**142,916**
items from spot transactions with equity instruments	4	-	57	-	**61**
Open position asset/(liability)	**49,609**	**37**	**(1,380)**	**(440)**	**47,826**

47. OPERATIONAL RISK

Operational risk is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events, including information technology risk, legal and compliance risk.

The Bank's objective of managing the operational risk is to minimize the risk and securing the Bank's activities at the required level.

The primary responsibility for the implementation of controls to address operational risk is assigned to the management of the Bank or the established Operational Risk and Damage Committee. This responsibility is supported by the development of overall standards within the Bank for the management of operational risk which is done by the Risk Management Dept. and which cover the following areas (reflecting the proportionality principle):

- identification of operational risk for all processes within the Bank's control system;
- evaluation of identified risks;
- adoption of a decision to accept or reduce the identified risks (while the required level of activities is secured);
- reporting of operational risk events by entering the corresponding information into the Bank's database of operational risk events;
- this overview of the Bank's operational risk events allows the Bank to specify the direction of the steps and processes to take in order to limit these risks, as well as to make decisions with regard to:
  - accepting the individual risks that are faced;
  - initiating processes leading to limitation of possible impacts; or
  - decreasing the scope of the relevant activity or discontinuing it entirely;
  - setting and monitoring of Key Risk Indicators (KRI) for early indication of increasing operational risk.

48. SUBSEQUENT EVENTS

The Bank has not recorded any subsequent material events after the date of issue of these separate financial statements.

REPORT ON RELATIONS

BETWEEN THE CONTROLLING ENTITIES
AND THE CONTROLED ENTITY AND BETWEEN THE
CONTROLLED ENTITY AND ENTITIES CONTROLLED
BY THE SAME CONTROLLING ENTITY
FOR THE ACCOUNTING PERIOD OF 2024

Report on relations between the controlling entities and the controlled entity and between the controlled entity and entities controlled by the same controlling entity for the accounting period of 2024 of J&T BANKA, a.s.

prepared in compliance with Section 82 of Act No. 90/2012 Coll., on Corporations and Cooperatives (Act on Corporations)

This report has been prepared by the Board of Directors of J&T BANKA, a.s., with its registered office at Prague 8, Sokolovská 700/113a, postcode 186 00, ID# 47115378 ("the Bank")

I.

Structure of relations between the controlling entities and the controlled entity and between the controlled entity and entities controlled by the same controlling entity, the role of the controlled entity in the structure, and manner and means of control.

The Board of Directors of J&T BANKA, a.s. is aware that during the period from 1 January 2024 to 31 December 2024, J&T BANKA, a.s. was directly controlled by the following persons and entities:

J&T FINANCE GROUP SE
ID# 27592502, with its registered office at Prague 8, Sokolovská 700/113a, postcode 186 00, Czech Republic

In the accounting period of 2024, J&T FINANCE GROUP SE owned shares in the Bank corresponding to 100% of the Bank's share capital.

The Board of Directors of J&T BANKA, a.s. is aware that during the period from 1 January 2024 to 31 December 2024, J&T BANKA, a.s. was indirectly controlled by the following persons and entities:

Ing. Ivan Jakabovič,
residing at 98000 MONACO, 32 rue COMTE FELIX GASTALDI, Monaco, who, along with Ing. Jozef Tkáč (see below) controls J&T FINANCE GROUP SE.

In addition, Ing. Ivan Jakabovič owns shares in the following companies:

LEONARDO III MARINE LIMITED
0000C68484,
with its registered office at Ground Floor, Palace Court, Church Street, St. Julian's STJ 3049, Malta

LEONARDO III YACHT LIMITED
0000C79912,
with its registered office at Ground Floor, Palace Court, Church Street, St. Julian's STJ 3049, Malta

SERTENA INVESTMENT LIMITED
00HE375099 Klimentos, 41-43 KLIMENTOS TOWER, 2nd floor, Flat/Office 23, Nicosia, Cyprus

JET ONE LEGACY LIMITED
ID# 446478, 7 Argyle Square, Morehampton Road, Donnybrook Dublin 4, Donnybrook, Dublin, D04k3h0, Ireland

NEKLERE
ID# 07C12844, with its registered office at 8 Rue Comte Felix Gastaldi; 98000 Monaco

TAPPAJ
ID# 07C12774, with its registered office at 32 Rue Comte Felix Gastaldi; 98000 Monaco

KOLIBA REAL a.s.
ID# 35725745, Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia

WEBER INVESTMENT, s.r.o.
ID# 25082175, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, controlled by KOLIBA REAL a.s.

Ing. Jozef Tkáč,
residing at Bratislava, Júlová 10941/32, postcode 831 01, Slovakia, who, along with Ing. Ivan Jakabovič (see above) controls J&T FINANCE GROUP SE.

In addition, Ing. Jozef Tkáč owns shares in the following companies:

MARLEK LIMITED
ID# 00HE375126, with its registered office at Klimentos, 41-43, KLIMENTOS TOWER, Floor 2, Flat 23, 1061 Nicosia, Cyprus

The Board of Directors of J&T BANKA, a.s. is aware that during the period from 1 January 2024 to 31 December 2024, J&T BANKA, a.s. was controlled by the same entities as the following other controlled entities, through J&T FINANCE GROUP SE

365.bank, a.s.
ID# 31340890, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by J&T FINANCE GROUP SE

365.invest, správ. spol., a.s.
ID# 31621317, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by365.bank, a.s.

PB Servis, a. s.
ID# 47234571, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by365.bank, a.s.

PB Finančné služby, a. s.
ID# 35817453, with its registered office at Hattalova 12, Bratislava 831 03, Slovakia, controlled by 365.bank, a.s.

365.fintech, a.s.
ID# 51301547, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by365.bank, a.s.

Ahoj, a.s.
ID# 48113671, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by 365.bank, a.s.

ART FOND – Stredoeurópsky fond súčasného umenia, a.s.
ID# 47979160, with its registered office at Palisády 731/40 Bratislava - Staré Mesto 811 06, Slovakia, controlled by 365.bank, a.s.
(until 20 November 2024)

SKPAY, a.s.
ID# 46 552 723, with its registered office at Nám. SNP 35, Bratislava 811 01, Slovakia, controlled by 365.bank, a.s.

Cards&Co, a. s.
ID# 51 960 761, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by 365.bank, a.s.

DanubePay, a. s.
ID# 46 775 111, with its registered office at Pribinova 25, Bratislava - mestská čtvrt' Staré Město 811 09, Slovakia, controlled by Cards&Co, a. s.

Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.
ID# 03451488, with its registered office at Na příkopě 393/11, Staré Město, 110 00 Prague 1, Czech Republic, controlled by J&T FINANCE GROUP SE

FORESPO SOLISKO a. s.
ID# 47232935, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

FORESPO HELIOS1 a. s
ID# 47234032, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

FORESPO HELIOS 2 a. s.
ID# 47234024, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

FORESPO HOREC A SASANKA a. s.
ID# 47232994, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.
(until 21 August 2024)

FORESPO PÁLENICA a. s.
ID# 47232978, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

INVEST-GROUND a. s.
ID# 36858137, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

FORESPO - RENTAL 1 a.s.
ID# 36782653, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

FORESPO - RENTAL 2 a. s.
ID# 36781487, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

OSCAR GROUP s.r.o.
ID# 50 333 160 with its registered office at Karloveská 34, Bratislava – Karlova Ves 841 04, Slovakia, controlled by FORESPO - RENTAL 2 a. s.

FORESPO BDS a.s.
ID# 27209938, with its registered office at Janáčkovo nábřeží 478/39, Smíchov, 150 00 Prague 5, Czech Republic, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

Devel Passage s. r. o.
ID# 43853765, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

FORESPO DUNAJ 6 a. s.
ID# 47235608, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

RDF International, spol. s r.o.
ID# 31375898, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

OSTRAVICE HOTEL a.s.
ID# 27574911, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

Hotel SASANKA s.r.o.
ID# 36 834 092, with its registered office at Dvořákovo nábrežie 8, Bratislava – Staré mesto 811 02, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.
(until 3 September 2024)

J&T SERVICES ČR, a.s.
ID# 28168305, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T SERVICES SR, s.r.o.
ID# 46293329, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T SERVICES ČR, a.s.

J&T Bank (Schweiz) AG in Liquidation
ID# CH02030069721, with its registered office in Zürich, Talacker 50, 12th floor, P.C. 8001, Switzerland, controlled by J&T FINANCE GROUP SE
(until 13 February 2024)

J&T Wine Holding SE
ID# 06377149, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

Wine Resort Pouzdřany, s.r.o.,
ID# 09988891, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T Wine Holding SE

Reisten, s.r.o.
ID# 25533924, with its registered office at Zahradní 288, 692 01, Pavlov, Czech Republic, controlled by J&T Wine Holding SE

KOLBY a.s.
ID# 25512919, with its registered office at Česká no. 51, 691 26 Pouzdřany, Czech Republic, controlled by J&T Wine Holding SE

SAXONWOLD LIMITED
ID# 508611, with its registered office at 7 Argyle Square, Morehampton Road, Donnybrook, Dublin 4, Dublin, D04 K3h0, Ireland, controlled by J&T Wine Holding SE
(until 20 August 2024)

World's End LLC
ID# 200807010154, located at 5 Financial Plaza 116, Napa CA 94558, USA, controlled by CHATEAU TEYSSIER

CHATEAU TEYSSIER (formerly STE CIVILE D'EXPLOITATION DU CHATEAU TEYSSIER)
ID# 316 809 391, with its registered office at 33330 VIGNONET, Saint Emilion, France, controlled by J&T Wine Holding SE

JCP MALTUS DOMAINES & CHATEAUX (formerly CT DOMAINES)
ID# 507 402 386, with its registered office at 33330 VIGNONET, Saint Emilion, France, controlled by CHATEAU TEYSSIER

J&T INTEGRIS GROUP LIMITED
ID# HE207436, with its registered office at Klimentos, 41-43, KLIMENTOS TOWER, Floor 2, Flat/Office 24B, 1061 Nicosia, Cyprus, controlled by J&T FINANCE GROUP SE

Bayshore Merchant Services Inc.
ID# 01005740, with its registered office at TMF Place, Road Town, Tortola, British Virgin Islands, controlled by J&T INTEGRIS GROUP LIMITED

J&T Trust Inc.
ID# 00011908, with its registered office at Lauriston House, Lower Collymore Rock, St. Michael, Barbados, controlled by Bayshore Merchant Services Inc.

J&T MINORITIES PORTFOLIO LIMITED
ID# HE260754, with its registered office at Klimentos, 41-43, KLIMENTOS TOWER, Floor 2, Flat/Office 24B, 1061 Nicosia, Cyprus, controlled by J&T INTEGRIS GROUP LIMITED

Equity Holding, a.s.
ID# 10005005, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T MINORITIES PORTFOLIO LTD.

J&T FINANCE LLC
ID# 1067746577326, with its registered office at Rossolimo 17, Moscow, Russia, controlled by J&T MINORITIES PORTFOLIO LTD.
(until 12 September 2024)

Hotel Kadashevskaya, LLC
ID# 1087746708642, with its registered office at Kadashevskaya Nabereznaya 26, Moscow 115035, Russia, controlled by J&T FINANCE LLC.
(until 12 September 2024)

J&T Global Finance IX., s.r.o., v likvidácii
ID# 51836301, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T INTEGRIS GROUP LIMITED

J&T Global Finance X., s.r.o.
ID# 07402520, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, Czech Republic, controlled by J&T FINANCE GROUP SE
(until 20 December 2024 controlled by J&T INTEGRIS GROUP LIMITED)

J&T Global Finance XI., s.r.o.
ID# 09920021, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, Czech Republic, controlled by J&T FINANCE GROUP SE
(until 20 December 2024 controlled by J&T INTEGRIS GROUP LIMITED)

J&T Global Finance XII., s.r.o.
ID# 53546 229, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T FINANCE GROUP SE
(until 30 December 2024 controlled by J&T INTEGRIS GROUP LIMITED)

J&T Global Finance XIII., s.r.o.
ID# 09919821, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, Czech Republic, controlled by J&T FINANCE GROUP SE
(until 20 December 2024 controlled by J&T INTEGRIS GROUP LIMITED)

J&T Global Finance XIV., s.r.o.
ID# 54 627 753, with its registered office Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T FINANCE GROUP SE

J&T Mezzanine, a.s.
ID# 06605991, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

URE HOLDING LIMITED
ID# HE 379721, with its registered office at 16 Iouviou 1943, 9, AREA B, Flat/Office 202, 3022, Lemesos, Cyprus, controlled by J&T Mezzanine, a.s.
(until 0 November 2024)

JTH Vision s. r. o.
ID# 05941750, with its registered office at Krupská 33/20, 415 01 Teplice, Czech Republic, jointly controlled by J&T Mezzanine, a.s.
(until 17 December 2024)

JTH Letňany, s.r.o.
ID# 04919211, with its registered office at Krupská 33/20, 415 01 Teplice, Czech Republic, jointly controlled by J&T Mezzanine, a.s.
(until 17 December 2024)

J&T RFI I., s. r. o.
ID# 17164028, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T Global Finance XV., s.r.o.
ID# 17591287, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T RFI IV., s. r. o.
ID# 17843791, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T RFI VII, s.r.o.
ID# 56314124, with its registered office at Dvořákovo nábrežie 8, Bratislava - Staré Město 811 02, Slovakia, controlled by J&T FINANCE GROUP SE
(since 11 June 2024)

J&T Global Finance XVI, s.r.o. (formerly J&T RFI V., s.r.o.)
ID# 17259380, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T Global Finance XVII, s.r.o.
ID# 26312784, with its registered office at Dvořákovo nábrežie 8, Bratislava - Staré Město 811 02, Slovakia, controlled by J&T FINANCE GROUP SE
(since 11 June 2024)

Colorizo Investment, a.s.
ID# 07901241, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T MINORITIES PORTFOLIO LTD

CI Joint Venture, s.r.o.
ID# 07899327, with its registered office at 28. října 3346/91, Moravská Ostrava, 702 00 Ostrava, Czech Republic, controlled by Colorizo Investment, a.s.

OAMP Distribution s.r.o.
ID# 09381333, with its registered office at 28. října 3346/91, Moravská Ostrava, 702 00 Ostrava, Czech Republic, controlled by Colorizo Investment, a.s.
(until 12 April 2024)

OAMP Infrastructure, s. r. o.
ID# 09381325, with its registered office at 28. října 3346/91, Moravská Ostrava, 702 00 Ostrava, Czech Republic, controlled by Colorizo Investment, a.s.
(until 12 April 2024)

OAMP Holding s. r. o.
ID# 09381341, with its registered office at 28. října 3346/91, Moravská Ostrava, 702 00 Ostrava, Czech Republic, controlled by Colorizo Investment, a.s.

OAMP Hall 5, s. r. o.
ID# 07899726, with its registered office at 28. října. 3346/91, Moravská Ostrava, 702 00 Ostrava, Czech Republic, controlled by OAMP Holding, s. r. o.

OAMP Hall 6, s. r. o.
ID# 07899751, with its registered office at 28. října. 3346/91, Moravská Ostrava, 702 00 Ostrava, Czech Republic, controlled by OAMP Holding, s. r. o.

Industrial Center CR 11 s. r. o.
ID# 05649765, with its registered office at V celnici 1034/9, Nové Město, 110 00 Prague 1, controlled by Colorizo Investment, a.s.

Facility Develop Group, s.r.o.
ID# 10991522, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, controlled by Colorizo Investment, a.s.
(since 13 November 2024)

J&T NOVA Hotels SICAV, a.s.
ID# 09641173, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T INVESTIČNÍ SPOLEČNOST, a.s.

DIAMOND HOTELS SLOVAKIA, s. r. o.
ID# 35 838 833, with its registered office at Hodžovo nám. 2, Bratislava 816 25, Slovakia, controlled by J&T NOVA Hotels SICAV, a.s.

BHP Tatry, s. r. o.
ID# 45 948 879, with its registered office at Dvořákovo nábrežie 6, Bratislava 811 02, Slovakia, controlled by J&T NOVA Hotels SICAV, a.s.

JTFG FUND I SICAV, a.s.
ID# 09903089, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T AGRICULTURE SICAV, a.s.
ID# 17856400, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T VENTURES I otevřený podílový fond
ID# 8880418417, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

ATLANTIK finanční trhy, a.s.
ID# 26218062, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T INVESTIČNÍ SPOLEČNOST, a.s.
ID# 47672684, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

Fond Fondů NLS SICAV, a.s.
ID# 19232721, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

Naše ČESKO otevřený podílový fond
ID# 75164086, with its registered office at Sokolovská 700/113a, 186 00 Praha 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T ORBIT SICAV, a.s.
ID# 14151898, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T IB and Capital Markets, a.s.
ID# 24766259, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic controlled by J&T BANKA, a.s.

J&T SME Finance s.r.o.
ID# 10730834, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T IB and Capital Markets, a.s.
(until 20 December 2024)

J&T Banka d.d. (formerly VABA d.d. banka Varaždin)
ID# 0675539, OIB: 38182927268, with its registered office at Međimurska ulica 28, 42000 Varaždin, Croatia, controlled by J&T BANKA, a.s.

J&T Leasingová společnost, a.s. (formerly Health Care Financing, a.s.)
ID# 28427980, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

Rentalit s.r.o.
ID# 08806594, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T Leasingová společnost, a.s.
(until 30 December 2024)

J&T ARCH INVESTMENTS SICAV, a.s. (formerly J&T INVESTMENTS SICAV, a.s.)
ID# 08800693, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T MS 1 SICAV a.s.
ID# 17110459, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE
(until 25 March 2024)

Rustonka Development II s.r.o.
ID# 05585571, with its registered office at Sokolovská 700/113a, 186 00 Praha 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.
ID# 53859111, with its registered office at Dvořákovo nábrežie 8, 811 02 Bratislava - Staré Mesto, Slovakia, controlled by J&T BANKA, a.s.

AMISTA investiční společnost, a.s.
ID# 27437558, with its registered office at Sokolovská 700/113a, 186 00 Praha 8, Czech Republic, controlled by J&T BANKA, a.s.

AMISTA consulting, s.r.o.
ID# 17590345, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T Real Estate Vostok, LLC
ID# 1077762703809, with its registered office at Moscow, Kadashevskaya 26, 115 035, Russia, controlled by J&T Finance, LLC
(until 12 September 2024)

J&T Funds Inc. (formerly INTEGRIS FUNDS LIMITED)
ID# 0000100415, with its registered office at Klimentos, Kyriakou Matsi, 11, NIKIS CENTER, Floor 3, Flat 301 1082, Nicosia, Cyprus, controlled by J&T INTEGRIS GROUP LIMITED

EpoPay, s.r.o.
ID# 54522323, with its registered office at Miletičova 21, Bratislava – Ružinov 821 08, Slovakia, controlled by DanubePay, a. s.

Role of the Bank in the structure of relations between the controlling entities and the controlled entity and between the controlled entity and entities controlled by the same controlling entity:

J&T BANKA, a.s. is a member of the consolidation unit of the financial holding company of J&T FINANCE GROUP SE in compliance with Act No. 21/1992 Coll., on Banks. Within the Group, its role is to provide other Group companies and other companies cooperating with the Group with a full range of banking services, to carry out operations in the financial and capital markets, and to manage assets, among other things.

Method and means of control:

J&T FINANCE GROUP SE controlled the Bank by being the sole shareholder of the Bank, owning 100% of the voting rights and therefore the exercise of voting rights is the main means of control. In the accounting period of 2024, there were no special agreements between the Bank and J&T FINANCE GROUP SE in relation to the manner and means of control.

II.

Overview of acts made in the accounting period of 2024 at the instigation or in the interest of the controlling entity or entities controlled by the controlling entity where such acts concern assets with a value exceeding 10% of the controlled entity's equity as determined by the financial statements for the period immediately preceding the period for which the Report on Relations is prepared.

During the accounting period, no acts were taken in the interest of or at the instigation of the controlling entity and entities controlled by the controlling entity in relation to assets exceeding 10% of the equity of the controlled entity as determined by the financial statements for the period immediately preceding the period for which the Report on Relations is prepared.

III.

Overview of contracts entered into between the controlled entity and the controlling entity or between controlled entities.

All contracts below were based on the arm's length principle, which refers to situation when contracts are agreed between two non-related parties in their best interests.

With 365.bank, a.s. (formerly Poštová banka, a.s.)

Contracts in force entered into between related parties:

Agreement on cooperation dated 19 March 2019.

Agreement on billing and recharging of expenses dated 25 November 2019.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Commission agreement dated 18 December 2008.

Subordinated loan agreement dated 21 September 2011, as amended.

Contract for support of membership in the card company MasterCard dated 24 June 2014.

Contract for a loro account dated 27 May 2014.

2002 Master Agreement dated 10 June 2015, as amended.

Loan Facilities agreements, as amended.

Framework Agreement on the Custody and/or Management of Securities dated 17 January 2018.

Master Funded Participation Agreement dated 24 September 2018.

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 1 January 2019.

Agreement on the termination of the contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 23 October 2024.

Agreement dated 2 July 2021.

Loro account maintenance in accordance with the Bank's business terms and conditions.

With 365.fintech, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities dated 26 January 2018 with J&T BANKA, a.s. pobočka zahraničnej banky.

Notice deposit account.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With 365.invest, správ.spol., a.s. (formerly PRVÁ PENZIJNÁ SPRÁVCOVSKÁ SPOLOČNOSŤ POŠTOVEJ BANKY, správ. spol., a. s.)

Contracts in force entered into between related parties:

Commission agreement dated 29 May 2014.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for cooperation in providing investment services dated 28 December 2018

Contract for cooperation dated 13 July 2009, as amended

With AMISTA investiční společnost, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Agreement on Offering Investments into the Investment Fund dated 29 October 2019.

Framework Agreement on the Distribution of Qualified Investor Fund Securities dated 1 July 2021, as amended.

Investment Agreement dated 18 January 2022.

Contract for the provision of banking services for financial institutions dated 7 October 2022.

Framework Agreement on the Issue and Repurchase of Securities dated 25 October 2023.

Contract for provision of services dated 29 December 2023.

Maintenance of a term deposit in accordance with the Bank's business terms and conditions.

Current account maintenance in accordance with the Bank's business terms and conditions.

Escrow Agreement.

With ART FOND – Stredoeurópsky fond súčasného umenia, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities dated 11 December 2015 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With ATLANTIK finanční trhy, a.s.

Contracts in force entered into between related parties:

Contract for the conditions of providing outsourcing services dated 11 November 2024.

Agreement on transfer of ownership and other rights dated 30 June 2011.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Commission agreement.

Business Cooperation Agreement dated 4 May 2011.

Professional Cooperation Agreement dated 1 September 2022.

Service Level Agreement dated 15 December 2014 as amended.

Overdraft Loan Agreement No. CZK 22/KTK/2021 dated 27 July 2021 as amended.

Contract for the provision of professional assistance dated 1 July 2023.

Assignment agreement of the contract dated 31 March 2023.

Contract for the provision of services dated 31 December 2014, as amended by Addendum No. 9 dated 29 December 2023.

Framework agreement on financial market trading dated 14 February 2011.

Custody contracts for securities in which ATLANTIK financial markets, a.s. acts as a third party - depositary.

Contract to entrust the performance of individual activities of a collective investment fund depository dated 1 April 2023.

Agreement on the provision of additional shareholder payment outside the company's share capital dated 30 July 2024.

Safety deposit box maintenance in accordance with the Bank's business terms and conditions.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With BHP Tatry, s. r. o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Corporate agreement 2024 dated 12 December 2023 with J&T BANKA, a.s. pobočka zahraničnej banky.

Loan Agreement EUR 43/OAO/2024 dated 6 December 2024.

Current account maintenance in accordance with the Bank's business terms and conditions.

With CI Joint Venture, s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of banking services dated 30 January 2020.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Colorizo Investment, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Loan agreement EUR 34/OAO/2024 dated 3 December 2024.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the custody of securities dated 2 March 2023.

With DIAMOND HOTELS SLOVAKIA, s.r.o.

Contracts in force entered into between related parties:

Bank guarantee agreement No. Z 08/OAO_SR/2014 dated 3 April 2014 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Loan Agreement EUR 43/OAO/2024 dated 6 December 2024.

Agreement on prices for accommodation for 2024 dated 10 January 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Equity Holding, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Assignment agreement of the contract dated 31 March 2023.

Contract for the provision of services dated 31 December 2014, as amended by Addendum No. 9 dated 29 December 2023.

Commission agreement dated 15 December 2008.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Facility Develop Group, s.r.o.

Contracts in force entered into between related parties:

Framework agreement on the provision of banking services dated 21 November 2021.

With Fond Fondů NLS SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for financial institutions dated 11 April 2023.

Commission agreement dated 12 April 2023.

Framework Agreement on Trading on the Financial Market dated 12 April 2023.

Framework Agreement on Trading on the Financial Market dated 4 September 2023.

Current account maintenance in accordance with the Bank's business terms and conditions.

Maintenance of a term deposit in accordance with the Bank's business terms and conditions.

With Hotel SASANKA s.r.o.

Framework Agreement on Providing Services for Legal Entities and Natural Persons - Entrepreneurs of the Private Banking Segment

Current account maintenance in accordance with the Bank's business terms and conditions.

With Ing. Ivan Jakabovič

Contracts in force entered into between related parties:

Agreement on private banking services dated 24 November 2015, with J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Commission agreement No. 17726 for the brokerage of purchase and sale of securities, dated 13 March 2009.

Private Banking Services Agreement dated 26 May 2017

Agreement on exercising the office of the Supervisory Board member dated 30 December 2014, concluded under Act No. 90/2012 Coll., on Corporations and Cooperatives ("the Act on Corporations").

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With Ing. Jozef Tkáč

Contracts in force entered into between related parties:

Framework agreement on custody of financial instruments having the form of share certificates dated 10 December 2009.

Framework Agreement on the Provision of Services for Individuals - non-entrepreneurs of the Private Banking segment dated 6 March 2023 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Private Banking Services Agreement dated 8 October 2012.

Agreement on exercising the office of the Supervisory Board member dated 30 December 2014, concluded under Act No. 90/2012 Coll., on Corporations and Cooperatives ("the Act on Corporations").

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

Notice deposit account.

With J&T AGRICULTURE SICAV a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the custody of securities dated 2 March 2023.

Contract for the provision of banking services for legal entities and entrepreneurs dated 4 January 2023.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T ARCH INVESTMENTS SICAV, a.s. (formerly J&T INVESTMENTS SICAV, a.s.)

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the custody of securities dated 28 April 2022.

Contract for the provision of banking services for legal entities and entrepreneurs dated 26 April 2022.

Administrator contract dated 20 June 2024, along with a special arrangement to the Agreement with the Administrator.

Framework Agreement on Financial Market Trading dated 19 May 2023.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Bank Switzerland Ltd.

Contracts in force entered into between related parties:

Commission agreement dated 13 December 2005.

Framework Agreement on Trading on the Financial Market dated 11 November 2006.

With J&T Banka d.d. (formerly VABA d.d. banka Varaždin)

Contracts in force entered into between related parties:

Framework Agreement on Loan Secured by Transfer of Investment Instruments dated 24 July 2014.

Brokerage Agreement dated 28 November 2016.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Master Funded Participation Agreement dated 3 January 2019 as per Funded Participation Tickets.

Master Funded Participation Agreement dated 5 March 2020 as per Funded Participation Tickets.

Loan Facilities Agreements - syndicated loans.

Agreement on the Provision of Professional Assistance.

Loro account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance IX., s.r.o.

Contracts in force entered into between related parties:

Administrator contract dated 10 September 2018, along with a Special arrangement to the Agreement with the Administrator.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities dated 16 July 2018 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance X., s.r.o.

Contracts in force entered into between related parties:

Bond placement agreement dated 14 November 2018, along with a Special arrangement to this agreement.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Administrator contract dated 14 November 2018, along with a Special arrangement to this contract with the Administrator.

Current account maintenance in accordance with the Bank's business terms and conditions.

Contract for the provision of banking services for legal entities and entrepreneurs dated 11 July 2024.

With J&T Global Finance XI., s.r.o.

Contracts in force entered into between related parties:

Bond placement agreement dated 30 June 2021.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Administrator contract dated 30 June 2021, along with a Special arrangement to this contract with the Administrator.

Contract for the provision of banking services for legal entities and entrepreneurs dated 2 March 2021.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance XII., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Bond placement agreement dated 7 July 2021.

Agreement with the Administrator dated 8 July 2021, together with the Special Arrangement to the Agreement with the Administrator with J&T BANKA, a.s. pobočka zahraničnej banky.

Framework agreement on the provision of services for legal entities and natural persons – entrepreneurs (self-employed) in the private banking sector, dated 8 March 2021 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance XIII., s.r.o. (formerly J&T Credit Participation, s.r.o)

Contracts in force entered into between related parties:

Bond placement agreement dated 9 June 2022.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 17 February 2021.

Administrator contract dated 9 June 2022, along with a Special arrangement to this contract with the Administrator.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance XIV., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Bond placement agreement dated 3 August 2022.

Agreement with the Administrator dated 3 August 2022, together with the Special Arrangement to the Agreement with the Administrator with J&T BANKA, a.s. pobočka zahraničnej banky.

Framework agreement on the provision of services for legal entities and natural persons – entrepreneurs (self-employed) in the private banking sector, dated 27 May 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance XV., s.r.o. (formerly J&T RFI III., s.r.o.)

Contracts in force entered into between related parties:

Bond Placement Agreement dated 9 May 2023.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Administrator Agreement dated 9 May 2023, together with the Special Arrangement to the Administrator Agreement.

Contract for the provision of banking services for legal entities and entrepreneurs dated 13 October 2022.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance XVI, s.r.o. (formerly J&T RFI V., s.r.o.)

Contracts in force entered into between related parties:

Framework agreement on trading in financial market dated 27 June 2022.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Administrator contract for bonds dated 28 June 2024, along with a Special arrangement to the Agreement with the Administrator.

Bond placement agreement dated 28 June 2024.

Contract for the provision of banking services for legal entities and entrepreneurs dated 27 June 2022.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Global Finance XVII., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities dated 3 July 2024, with J&T BANKA, a.s. pobočka zahraničnej banky.

With J&T IB and Capital Markets, a.s.

Contracts in force entered into between related parties:

Contract for securing the issuance of an investment certificate offering program dated 10 June 2013.

Contract for securing the issuance of perpetual investment certificate emission dated 10 June 2013.

Contract for outsourcing in the preparation of bond issuance dated 30 May 2019.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 30 April 2012.

Financial Settlement Agreement dated 2 January 2014.

Commission agreement dated 3 March 2014.

Contract for the provision of J&T internet banking services as amended.

Assignment agreement of the contract dated 31 March 2023.

Contract for the provision of services dated 31 December 2014, as amended by Addendum No. 9 dated 29 December 2023.

Contract for sublease of a means of transport dated 23 January 2015, as amended by Addendum No. 8 dated 29 December 2023.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With J&T INTEGRIS GROUP LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.

Contracts in force entered into between related parties:

Personal Data Processing Agreement dated 1 July 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Agreement on the provision of contact details of affected persons for marketing purposes dated 16 November 2023 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for financial institutions dated 21 November 2023, with J&T BANKA, a.s. pobočka zahraničnej banky.

Cooperation Agreement in the area of personnel and payroll agenda dated 1 June 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 9 December 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Agreement on the termination of the contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 27 September 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for the provision of services (olas) dated 1 July 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for cooperation in the provision of investment services dated 1 July 2022, as amended.

With J&T INVESTIČNÍ SPOLEČNOST, a.s.:

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the custody of securities.

Financial Settlement Agreement dated 2 January 2012.

Framework Agreement on Business Cooperation, Issuance and Redemption of Units and Management of Investment Instruments dated 2 January 2017 as amended.

Framework Agreement on Business Cooperation, Issuance, Exchange and Redemption of Investment Shares and Management of Investment Instruments dated 15 June 2020, as amended.

Investor Agreement dated 4 November 2020.

Contract for the assignment of the contract dated 31 March 2023.

Commission agreement dated 27 March 2023.

Framework Agreement on Trading on the Financial Market dated 22 May 2023 as amended.

Contract for the provision of services dated 31 December 2014, as amended by Addendum No. 9 dated 29 December 2023.

Agreement on delegation of activities and conditions of provision of outsourcing services dated 30 September 2024, including specification of methods and procedures used for delegated activities.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Leasingová společnost, a.s. (formerly Health Care Financing, a.s.)

Contracts in force entered into between related parties based on which performance was provided in 2024:

Overdraft Loan Agreement No. CZK 52/KTK/2017 dated 21 November 2017 as amended.

Framework Agreement on Financial Market Trading dated 4 January 2018 as amended.

Assignment agreement of the contract dated 31 March 2023.

Contract for the provision of services dated 1 January 2018, as amended by Addendum No. 6 dated 29 December 2023.

Contract for the provision of services (outsourcing) dated 30 September 2024.

Safety deposit box maintenance in accordance with the Bank's business terms and conditions.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

Notice deposit account.

With J&T Mezzanine, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on trading in financial markets dated 28 June 2018.

Master Funded Participation Agreement dated 26 February 2020.

Facilities Agreement dated 22 December 2021 as amended - syndicated loans.

Facilities Agreement dated 8 November 2022 - syndicated loans.

Agreement on the provision of services (outsourcing) – dated 26 June 2018, as amended by Addendum No. 1 dated 27 September 2024.

Commission agreement dated 14 April 2022.

Current account maintenance in accordance with the Bank's business terms and conditions.

Safety deposit box maintenance in accordance with the Bank’s business terms and conditions.

With J&T MINORITIES PORTFOLIO LTD

Contracts in force entered into between related parties:

Commission agreement No. 19181 for the procurement of purchase and sale of securities dated 20 August 2010.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Agreement on provision of banking services dated 5 February 2015 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank’s business terms and conditions.

Issue of a debit card in accordance with the Bank’s business terms and conditions.

With J&T MS 1 SICAV a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for financial institutions dated 9 May 2022.

Commission agreement dated 20 February 2023.

Current account maintenance in accordance with the Bank’s business terms and conditions.

With J&T NOVA Hotels SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 19 November 2020.

Contract for the custody of securities dated 20 December 2022.

Current account maintenance in accordance with the Bank’s business terms and conditions.

With J&T ORBIT SICAV, a.s.

Contracts in force entered into between related parties:

Current account maintenance in accordance with the Bank’s business terms and conditions.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for financial institutions dated 13 June 2023.

Transfer Agreement dated 19 January 2023 as amended.

Maintenance of a term deposit in accordance with the Bank’s business terms and conditions.

With J&T RFI I., s.r.o.

Contracts in force entered into between related parties:

Agreement on the provision of additional payment outside the company's share capital dated 17 August 2022.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 7 June 2022.

Overdraft facility agreement No. EUR18/KTK/2022 dated 24 August 2022, as amended.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T RFI IV., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 3 January 2023.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T RFI VII., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities dated 10 September 2024, with J&T BANKA, a.s. pobočka zahraničnej banky.

With J&T SERVICES ČR, a.s.

Contracts in force entered into between related parties:

Personal Data Processing Agreement dated 6 August 2014.

Personal Data Processing Agreement dated 25 May 2018 with J&T BANKA, a.s. pobočka zahraničnej banky.

Personal Data Processing Agreement dated 1 September 2020.

Framework agreement on provision of banking services for legal entities dated 1 August 2017 with J&T BANKA, a.s. pobočka zahraničnej banky.

Agreement on the terms and conditions of provision of outsourcing services dated 4 January 2021.

Contract for the processing of personal data dated 15 December 2023, as amended, with J&T BANKA, a.s. pobočka zahraničnej banky.

Personal Data Processing Agreement on the operation of the access system dated 16 July 2024.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Agreement on the issue of Mastercard international debit payment card dated 26 August 2020.

Contract for provision of expert support dated 6 August 2014 (payroll and personnel agenda activities), as amended.

Overdraft facility agreement No. CZK95/KTK/2013 dated 11 December 2013, as amended.

Contract for sublease of business premises (Prosek Point) dated 1 October 2019.

Financial settlement agreement dated 1 January 2009.

Contract for provision of services (outsourcing) - Consolidated Statements dated 1 September 2014, as amended.

Contract for provision of services (outsourcing) - Reporting dated 5 January 2015.

Contract for provision of services dated 31 January 2013.

Contract for cooperation in arranging social events dated 1 January 2014, as amended.

Contract for sublease of a motor vehicle dated 23 January 2015, as amended.

Service Level Agreement dated 18 December 2014.

Contract for delegation of activities and provision of expert support dated 1 January 2015, as amended.

Contract for provision of services (concierge) dated 1 January 2016, as amended.

Contract for provision of expert tax assistance and advice dated 1 January 2018, as amended.

Loan agreement No. CZK 50/OAO/2020 dated 11 November 2020.

Contract for cooperation in providing employee benefit services dated 27 April 2020.

Contract for business lease of movable property dated 1 September 2020 as amended

Contract for sublease of business premises (Rustonka) dated 1 September 2020, as amended.

Cooperation Agreement (concierge) dated 1 September 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Cooperation Agreement in securing employee benefit services dated 30 June 2022.

Contract for the assignment of contracts dated 31 March 2023.

Contract for the provision of services (administrative and management activities) dated 1 April 2023 as amended by Addendum dated 1 April 2024.

Contract for providing operation dated 27 July 2023.

Contract for the provision of digital content services and the provision of other services dated 30 September 2023.

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 28 November 2011 with J&T BANKA, a.s. pobočka zahraničnej banky.

Agreement on the termination of the contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 14 October 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for the provision of services (olas) dated 15 December 2013, as amended, with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for the provision of digital content dated 12 December 2024, as amended, with J&T BANKA, a.s. pobočka zahraničnej banky.

Loan agreement No. CZK 46/OAO/2024 dated 11 December 2024.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

Safety deposit box maintenance in accordance with the Bank's business terms and conditions.

With J&T SERVICES SR, s.r.o.

Contracts in force entered into between related parties:

Framework agreement on the provision of banking services for legal entities dated 30 April 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Personal Data Processing Agreement dated 1 July 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Purchase agreement on the sale of intangible assets dated 22 December 2023 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Brokerage contract dated 3 April 2013 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for delegation of activities and provision of expert support dated 1 January 2015, as amended.

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 27 December 2011 with J&T BANKA, a.s. pobočka zahraničnej banky.

Agreement on the termination of the contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 2 October 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Service Legal Agreement on providing services dated 18 December 2014 with J&T BANKA, a.s. pobočka zahraničnej banky, as amended.

Contract for the provision of digital content services and the provision of other services dated 12 December 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for cooperation in the field of payroll and personnel services dated 1 June 2022 with J&T BANKA, a.s. pobočka zahraničnej banky, as amended.

Contract for the provision of services dated 1 July 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Assignment agreement of the contract dated 31 March 2023.

Contract for sublease of a means of transport dated 23 January 2015, as amended by Addendum No. 8 dated 29 December 2023.

Contract for the provision of digital content services and the provision of other services dated 12 December 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Loan agreement EUR 03/OAO/2024 dated 8 April 2024.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With J&T SME Finance s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 14 April 2021.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T Trust Inc.

Contracts in force entered into between related parties:

Commission agreement dated 8 August 2012.

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T VENTURES I otevřený podílový fond

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for financial institutions dated 20 November 2018.

Framework agreement on financial market trading dated 10 August 2023.

With J&T Wine Holding SE

Contracts in force entered into between related parties based on which performance was provided in 2024:

Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T FINANCE GROUP SE

Contracts in force entered into between related parties:

Bond placement agreement dated 14 September 2020, along with a Special arrangement to this agreement.

Personal Data Processing Agreement dated 1 June 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Personal Data Processing Agreement dated 1 June 2022.

Share transfer agreement dated 3 August 2022.

Contract for the consideration and method of payment of the consideration for the transfer of share dated 3 August 2022.

Contract for sublease of a motor vehicle dated 23 January 2015 together with the Declaration dated 2 January 2024.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Commission agreement dated 15 December 2008.

Framework agreement on the provision of banking services dated 15 January 2007.

Contract for the custody of investment instruments dated 1 January 2014

Financial settlement agreement dated 3 January 2012

Framework commission agreement on the brokerage of purchase and sale of securities dated 10 April 2008, as amended.

Contract for business lease of movable assets dated 22 September 2010, as amended with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for lease of movable assets and financial settlement dated 30 May 2011, as amended with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for lease of movable assets and financial settlement dated 1 December 2014, as amended.

Framework agreement on the provision of services for legal entities dated 25 April 2019, with J&T BANKA, a.s. pobočka zahraničnej banky.

Framework agreement on trading in financial markets dated 30 November 2015.

Overdraft facility agreement No. EUR 61/KTK/2016 dated 11 November 2016, as amended.

Contract for the provision of services (outsourcing) - Control Functions dated 26 June 2018.

Contract for the provision of services (outsourcing) - Risk Management dated 26 June 2018.

Contract for the provision of services (outsourcing) dated 11 July 2024.

Contract for the conditions of providing outsourcing services dated 11 July 2024.

Administrator contract dated 17 March 2016, along with a Special arrangement to the Agreement with the Administrator.

Administrator contract dated 14 September 2020, along with a Special arrangement to the Agreement with the Administrator.

Cooperation agreement in the field of personnel and payroll administration dated 1 June 2022, with J&T BANKA, a.s. pobočka zahraničnej banky.

Contract for the provision of services dated 1 July 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.

Agreement on provision of collateral dated 4 February 2021.

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 25 November 2011 with J&T BANKA, a.s. pobočka zahraničnej banky.
Agreement on the termination of the contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 14 October 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Purchase contract for the sale of a laptop dated 1 January 2024 with J&T BANKA, a.s. pobočka zahraničnej banky.

Assignment agreement of the contract dated 31 March 2023.

Contract for provision of services dated 1 January 2024, as amended by Addendum No. 10 dated 29 December 2023.

Guarantee agreement dated 11 December 2024.

Current account maintenance in accordance with the Bank's business terms and conditions.

Safety deposit box maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

Forward currency transactions in accordance with the Bank's business terms and conditions.

With JTFG FUND I SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 8 October 2021.

Contract for the provision of banking services for financial institutions dated 8 October2021.

Contract for the custody of securities dated 28 April 2022.

Framework Agreement on Trading on the Financial Market dated 21 February 2023 as amended.

Current account maintenance in accordance with the Bank's business terms and conditions.

With JTH Letňany, s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 20 July 2021.

Loan agreement No. CZK 20/OAO/2021 dated 20 July 2021, as amended.

Pledge agreement on account receivables dated 20 July 2021, Contract on subordination of receivables dated 20 July 2021, Immovable property mortgage contract dated 24 September 2021, Pledge agreement on a share dated 20 July 2021 and Pledge agreement on shares dated 20 July 2021 related to the above Loan agreement No. CZK/OAO/2021.

Current account maintenance in accordance with the Bank's business terms and conditions.

With JTH Vision s. r. o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 31 October 2024.

Contract for the provision of bank guarantee No. Z 06/ OAO/2024 dated 6 November 2024.

With KOLBY a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of banking services dated 19 September 2017.

Agreement on assignment of the right to performance dated 15 November 2023.

Agreement on assignment of the right to performance dated 20 November 2024.

Agreement on assignment of lease agreement dated 1 April 2024.

Overdraft Loan Agreement No. CZK 13/KTK/2023 dated 21 June 2023, as amended.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With KOLIBA REAL a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities dated 27 March 2023, with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With LEONARDO III MARINE LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of banking services dated 21 January 2015.

Current account maintenance in accordance with the Bank's business terms and conditions.

With LEONARDO III YACHT LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Internet banking service agreement dated 20 April 2022.

Loan agreement No. EUR 45/OAO/2017 dated 16 November 2017, as amended.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With JET ONE LEGACY LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Current Account Agreement dated 22 January 2008, as amended.

Current Account Agreement dated 10 December 2018, as amended.

Internet banking service agreement dated 24 July 2020, as amended.

With MARLEK LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of services for legal entities and individuals – entrepreneurs of the private banking segment dated 21 December 2021, with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With Naše ČESKO otevřený podílový fond

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for financial institutions dated 22 May 2023.

Framework agreement on financial market trading dated 10 August 2023.

With OAMP Hall 5, s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 20 October 2020.

Current account maintenance in accordance with the Bank's business terms and conditions.

With OAMP Holding s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of banking services dated 18 August 2020.

Current account maintenance in accordance with the Bank's business terms and conditions.

With OSTRAVICE HOTEL a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Current account maintenance in accordance with the Bank's business terms and conditions.

With Patro7MŠ a.s. (J&T MS 1 SICAV a.s.)

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for individuals dated 1 October 2024.

Commission agreement dated 20 February 2023.

Contract for the provision of banking services for financial institutions dated 17 May 2022.

With PB Finančné služby, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Current account maintenance in accordance with the Bank's business terms and conditions.

With PB Servis, a. s.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Framework agreement on the provision of the services for legal entities dated 29 July 2020 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With RDF International, spol. s r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Agreement on provision of banking services dated 6 September 2013 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Reisten, s.r.o.

Contracts in force entered into between related parties:

Contract for subordination of receivables dated 4 February 2019.

Agreement granting the right to fill in a blank bill of exchange dated 4 February 2019.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 7 January 2019.

Overdraft facility agreement No. CZK 03/KTK/2019 dated 4 February 2019, as amended.

Current account maintenance in accordance with the Bank's business terms and conditions.

Issue of a debit card in accordance with the Bank's business terms and conditions.

With Rentalit s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 3 March 2020.

Overdraft Loan Agreement No. CZK 52/KTK/2017 dated 21 November 2017, as amended.

Overdraft Loan Agreement No. CZK 31/KTK/2021 dated 15 September 2021 as amended.

Agreement on the Right to Fill Out Promissory Notes dated 15 September2021 as amended.

Contract for cooperation in providing the J&T Family and Friends banking services and in participating in the Magnus loyalty scheme dated 16 January 2023.

Framework Agreement on the Provision of Leases with Ongoing Acquisition of Items No. 1000001/23 dated 1 September 2023.

Future Partial Agreement on Operating Lease No. 112400001 dated 1 September 2023.

Confirmation of the Content of the Partial Agreement on Operating Lease No. 112400005 dated 1 March 2024 and the Insurance Application dated 1 March 2024.

Future Partial Agreement on Operating Lease No. 112400012 dated 1 March 2024.

Current account maintenance in accordance with the Bank's business terms and conditions.

Safety deposit box maintenance in accordance with the Bank's business terms and conditions.

With Rustonka Development II s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Agreement on Delegation of Activities and Provision of Professional Assistance dated 14 February 2024.

With SERTENA INVESTMENT LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Commission agreement dated 10 December 2020.

Framework agreement on the provision of banking services dated 9 September 2020.

Framework agreement on financial market trading dated 10 December 2020.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Société Civil D'Exploitation du Chateau Teyssier

Contracts in force entered into between related parties based on which performance was provided in 2024:

Facilities Agreement dated 9 December 2016, as amended.

With Tatson s. r. o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 23 September 2024.

Framework agreement on the provision of the services for legal entities dated 27 October 2023 with J&T BANKA, a.s. pobočka zahraničnej banky.

With URE HOLDING LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for financial institutions dated 9 May 2018.

Framework agreement on financial market trading dated 5 September 2023.

Loan facility agreement USD 60/OAO/2018 dated 26 September 2018, as amended.

With WEBER INVESTMENT, s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Commission agreement dated 22 December 2008.

Framework agreement on the provision of banking services for legal entities dated 21 June 2018 with J&T BANKA, a.s. pobočka zahraničnej banky.

Current account maintenance in accordance with the Bank's business terms and conditions.

With Wine Resort Pouzdřany, s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2024:

Contract for the provision of banking services for legal entities and entrepreneurs dated 24 March 2021.

Current account maintenance in accordance with the Bank's business terms and conditions.

IV.

Assessment of advantages and disadvantages arising from relations between the controlling entity and the controlled entity and between the controlled entity and entities controlled by the same controlling entity, including a statement on whether advantages or disadvantages prevail and what are the risks arising from this fact for the controlled entity. Indication of whether, in what manner and in what period any damage has been or will be settled according to Section 71 or 72 Act on Corporations.

The Bank provides related parties with standard banking services, and the other relationships are entered into primarily to optimise the services used/provided and to utilise group synergies. As a result, the Bank is able to make its operations more effective and to provide its clients with comprehensive banking services and asset management, and to effect transactions in financial and capital markets also for retail clients. All transactions between the controlled entity and the Bank, or between the entities controlled by the same controlling entity and the Bank, were affected based on the arm´s length principle.

The Bank has no advantages or disadvantages from and faces no other additional risks in respect of the above relations. The Bank was not harmed according to Section 71 and 72 of the Act on Corporations.

V.

We declare that we have included in the Report on relations between related parties of J&T BANKA, a.s., prepared in accordance with Section 82 of the Act on Corporations for the period from 1 January 2024 to 31 December 2024, all information known as of the date of its signing.

Prague, 28 March 2025
Board of Directors
J&T BANKA, a.s.

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