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CONSOLIDATED
ANNUAL FINANCIAL REPORT

J&T BANKA

This version of the Annual Financial Report is a translation from the original which was prepared in the Czech language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the Czech version of the Annual Financial Report takes precedence over this translation. This version of the Annual Financial Report is non-ESEF compliant and constitutes non-official version of the official Annual Financial Report published in accordance with ESEF regulation in XHTML. All possible care has been taken to ensure that this version is an accurate representation of the original, except for the machine-readable XBRL tags that are embedded only in the official XHTML version. However, in all matters of interpretation of information, views or opinions, the official version of the Annual Financial Report takes precedence over this version.

Statutory Annual Financial Report in line with ESEF regulation can be accessed at:

https://www.jtbank.cz/informacni-povinnost/#vyrocni_zpravy

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Dear Clients, Business Partners and Friends,

In 2025, J&T BANKA, a.s., achieved a profit exceeding CZK 6.5 billion, thereby once again surpassing the results of the previous year. The Bank performed well in all three main areas of its business – asset management, financing and capital market services. This achievement is driven by the trust you place in us, and it holds us accountable.

At the end of the third quarter, the J&T ARCH INVESTMENTS fund exceeded CZK 196.7 billion in managed assets, and over the past twelve months, it delivered a return of more than 17% to investors in the koruna class. This makes it one of the most significant alternative funds in the Central European region. At the same time, we have reached a point where a single product is not enough to cover the breadth of what we want to offer our clients. Therefore, we are launching J&T ARCH II in 2026 and further expanding our alternative offering with new products, including the J&T Hedge Funds otevřený podílový fond and J&T World Private Capital otevřený podílový fond. At the end of 2025, client assets under management of the Bank totaled CZK 388 billion on a consolidated basis.

In the area of financing, we successfully placed our largest international bond issue to date in 2025 – senior notes in the amount of EUR 300 million maturing in 2031. Investor interest exceeded EUR 860 million, which is not only a confirmation of the credibility of the institution, but also a commitment: we want to become a regular European issuer and have this presence on international markets as a permanent part of our identity in the years to come. The volume of financing provided by the Bank was CZK 109 billion on a consolidated basis.

Moreover, 2025 was a year marked by strategic decisions for the future. We separated our cooperation with external financial advisors into the ATLANTIK finanční trhy, a.s. platform so that we could offer them the best – and at the same time to free up space on the Bank's side for even higher quality care for our direct clients. We launched a fund focused on the defense industry in response to the transformation of the European security architecture – and we intend to continue this approach, i.e. to monitor trends and transform them into specific investment opportunities before they become commonplace. And after years of preparation, we launched new digital channels that make it easier for clients to work with the Bank on a daily basis – while personal relationships and individual care remain at our core.

In recent years, we have consciously and systematically strengthened the Bank's management team and prepared for the transition to the next generation of management. The year 2025 was an important step towards the conclusion of this process. We are confident that the people we have trained for these roles are able to build on our track record – and take the Bank one step further. Part of this transition is also the move of my long-term partner in the Bank's management, Igor Kováč, to the Supervisory Board of the Bank – a move that will at the same time free his hands for full involvement in the group-wide management of J&T FINANCE GROUP SE and the coordination of its activities in the area of financial services and investments. We plan to bring the handover of executive leadership to the new generation to the final stage later this year.

We deeply value your trust, partnership, and cooperation, which are instrumental to our endeavors.

Prague, 27 March 2026

A stylized, handwritten signature in dark ink, consisting of a large, flowing 'S' followed by a smaller, more complex flourish.

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

BASIC INFORMATION ABOUT J&T BANKA, A.S., AND ITS CONSOLIDATED GROUP

J&T BANKA, a.s. with its registered office at Prague 8, Sokolovská 700/113a, postcode 186 00, Czech Republic, Company ID No.: 47115 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.

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 741 employees in 2025 (2024: 709). 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.

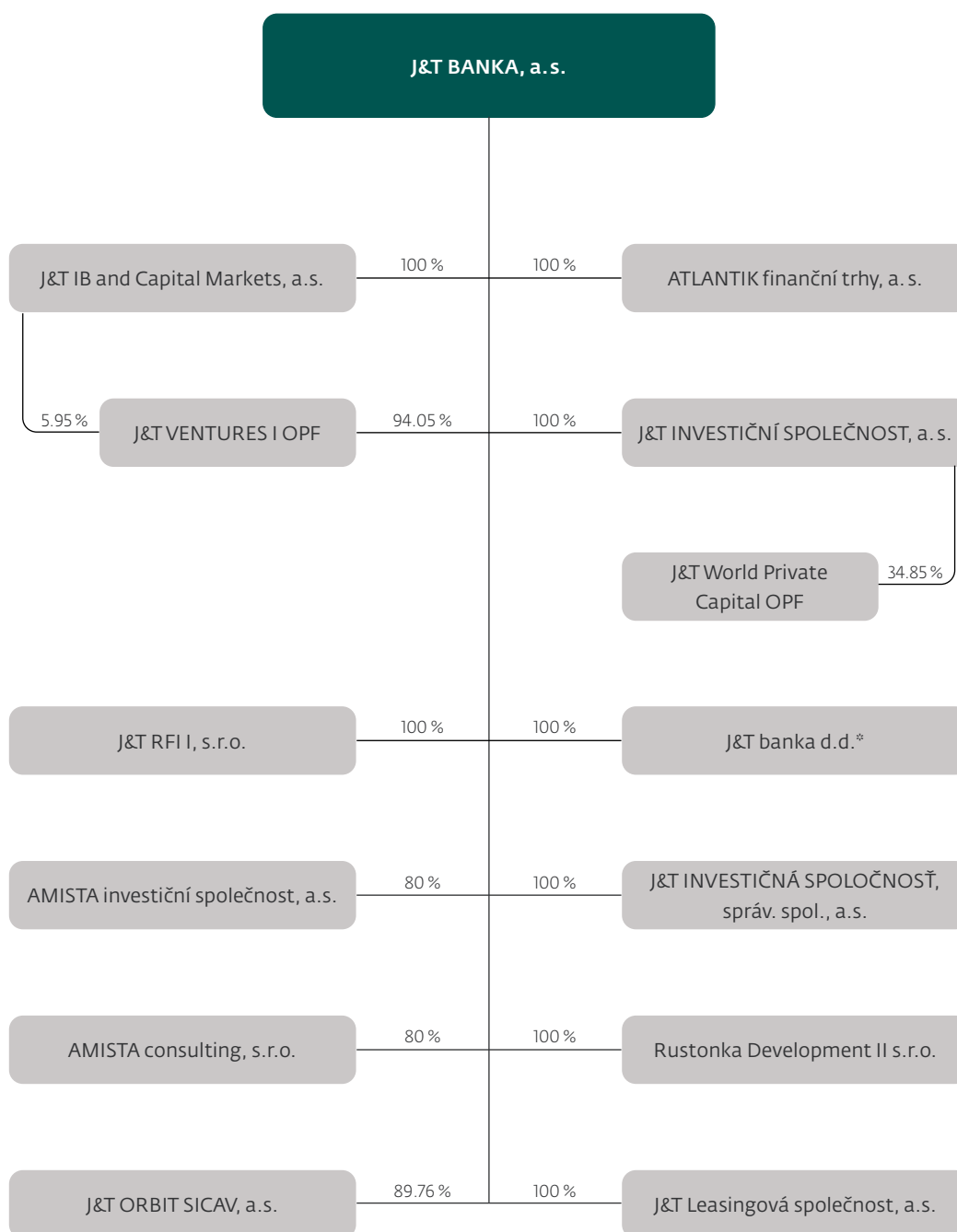
The Bank's share capital of CZK 10,638 million is fully paid up and consists of 10,637,126 ordinary shares with a nominal value of CZK 1,000 per share and 700,000 ordinary shares with a nominal value of CZK 1.43 per share. The Bank's shares are book-entry securities in registered form and are freely 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 Bank's ultimate parent is J&T FINANCE GROUP SE ("JTFC") 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 January 2023, the international rating agency Moody's assigned the Bank a Baa2 investment rating with a stable outlook, in April 2025, the rating agency confirmed the long-term deposit rating at the Baa2 level and improved the rating outlook from stable to positive¹.

¹⁾ Source: Moody's Ratings, https://assets-eu-01.kc-usercontent.com/23883f12-8a12-01af-3f05-426faedce691/47d117e6-c32f-4e56-b42e-21ecbc5bc62b/Rating_Action-Moodys-Ratings-affirms-JTB-10Apr2025-PR.pdf

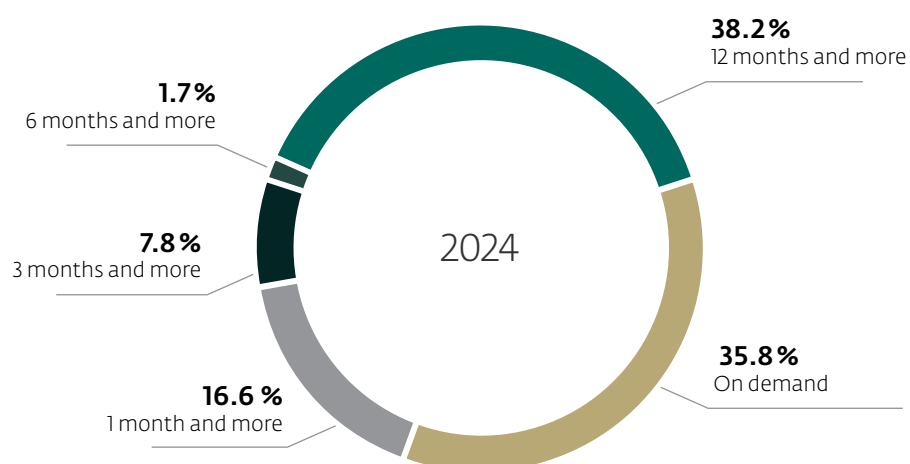
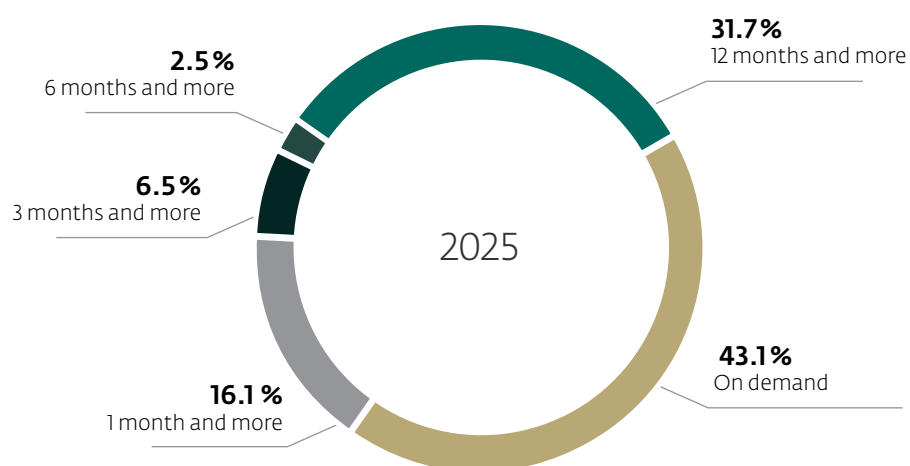
As of 31 December 2025, the consolidation unit of the Bank's group (the "Group") comprised the following companies:

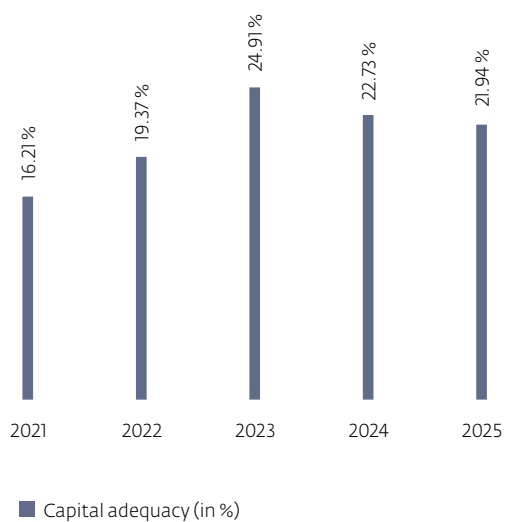
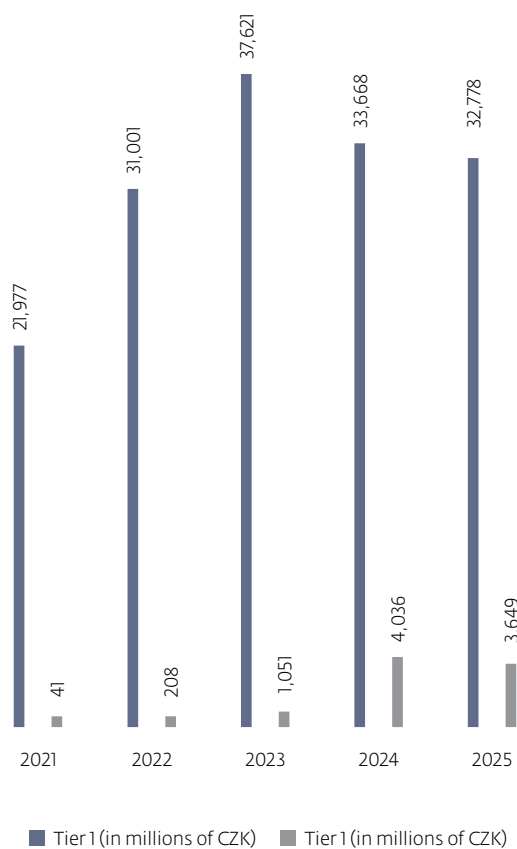
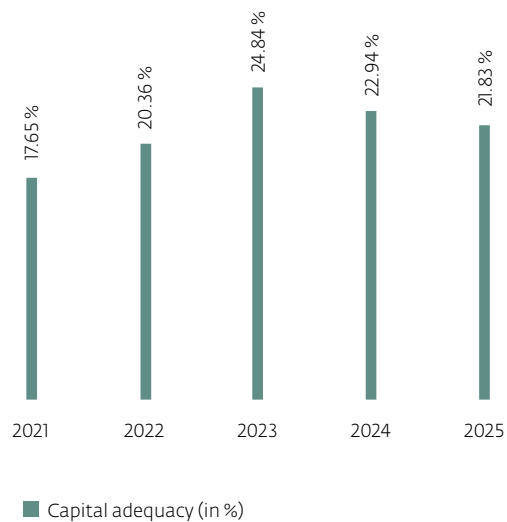
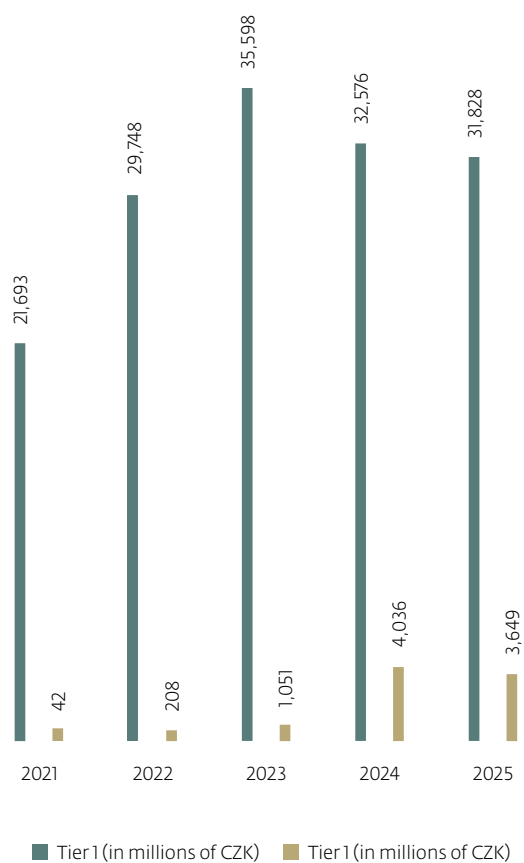


^{*)} as at 31 December 2025, the subsidiary J&T banka d.d. is classified as a disposal group held for sale

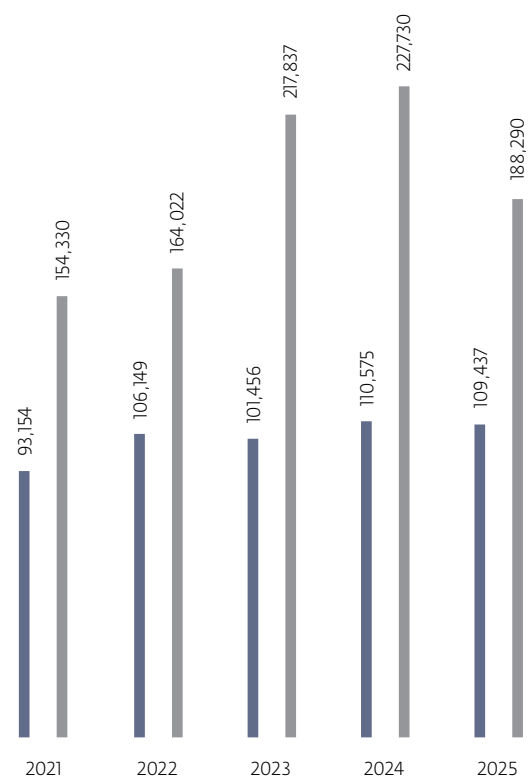
SELECTED FINANCIAL INDICATORS

STRUCTURE OF DEPOSITS BY MATURITY – THE BANK

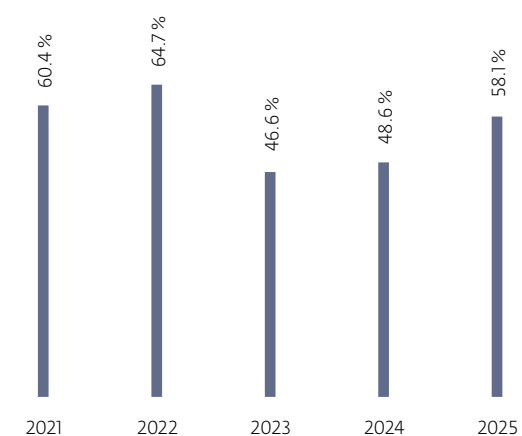


CAPITAL AND CAPITAL ADEQUACY –
THE GROUPCAPITAL AND CAPITAL ADEQUACY –
THE BANK

CLIENT DEPOSITS AND LOANS – THE GROUP

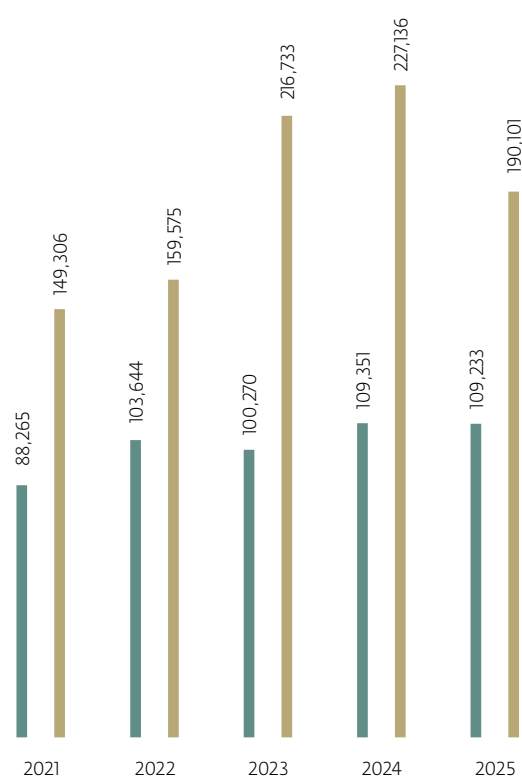


■ Loans and other advances to customers (in millions of CZK)
■ Amounts owed to customers (in millions of CZK)

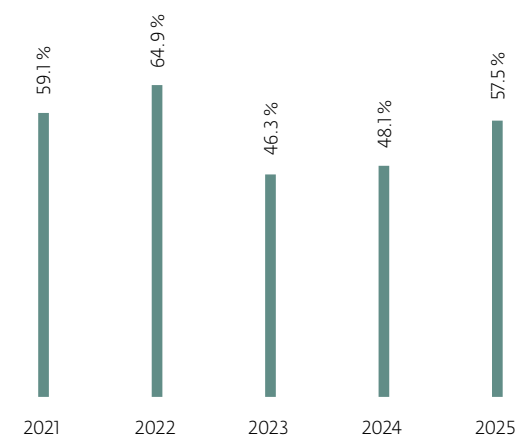


■ LTD ratio

CLIENT DEPOSITS AND LOANS – THE BANK

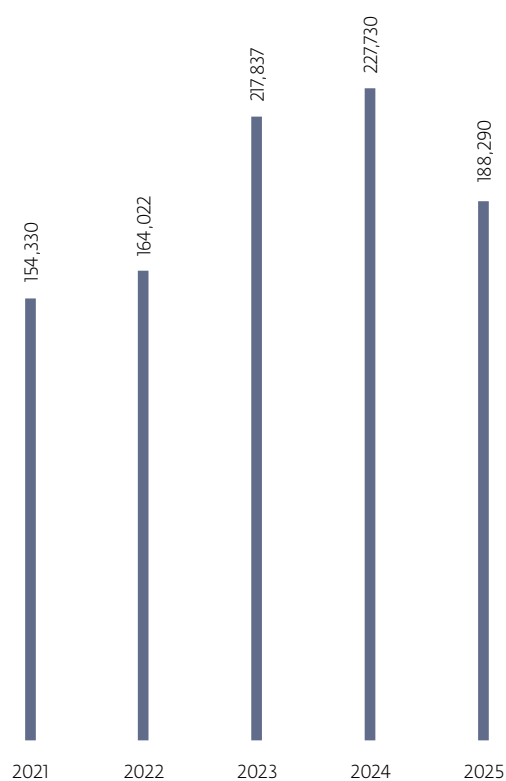


■ Loans and other advances to customers (in millions of CZK)
■ Amounts owed to customers (in millions of CZK)



■ LTD ratio

CLIENT DEPOSITS AND NUMBER OF CLIENTS – THE GROUP

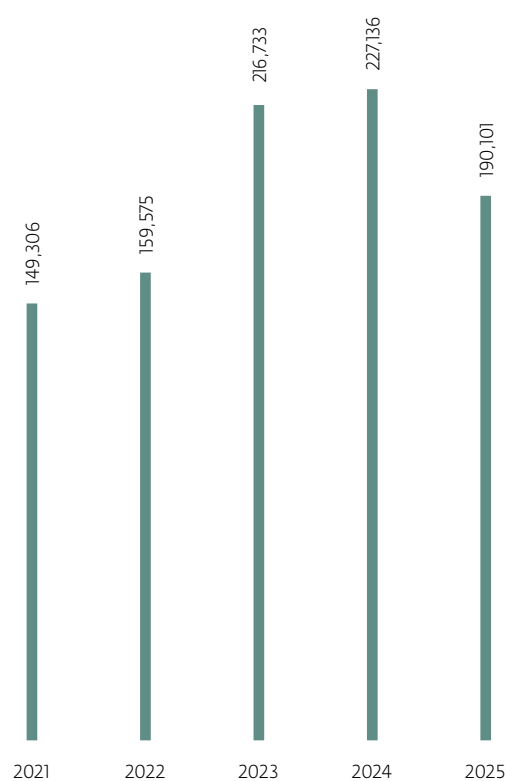


■ Amounts owed to customers (in millions of CZK)



■ Amounts owed to customers (in millions of CZK)

CLIENT DEPOSITS AND NUMBER OF CLIENTS – THE BANK



■ Number of clients

■ Number of clients

SELECTED FINANCIAL INDICATORS – THE GROUP

in millions of CZK	2025	2024	2023	2022	2021	2020
Annual figures						
Profit before tax	7,965	8,024	7,037	4,759	3,303	2,002
Tax	(1,457)	(1,718)	(1,645)	(1,379)	(499)	(336)
Profit for the period	6,508	6,306	5,392	3,380	2,804	1,666
Year-end position						
Equity	39,977	40,983	40,957	35,856	26,223	22,537
Deposits and loans from banks	22,691	7,711	9,191	10,530	5,272	2,437
Deposits from customers	188,290	227,730	217,837	164,022	154,330	138,620
Due from banks	1,414	219	198	417	1,058	446
Loans and other advances to customers	109,437	110,575	101,456	106,149	93,154	98,795
Assets	281,224	317,690	293,084	227,253	203,251	175,037
Ratio indicators						
Return on equity	16.08 %	15.39 %	14.04 %	10.89 %	11.50 %	7.56 %
Return on assets	2.17 %	2.06 %	2.07 %	1.57 %	1.48 %	1.02 %
Capital adequacy	21.94 %	22.73 %	24.91 %	19.37 %	16.21 %	14.96 %
Cost-to-Income ratio	37.03 %	36.63 %	38.17 %	32.60 %	47.57 %	48.79 %
NPL ratio	2.38 %	2.94 %	4.17 %	6.09 %	4.26 %	4.17 %
Average converted number of employees	938	889	968	940	875	816
Assets per employee	300	357	303	242	232	215
Administrative costs* per employee	(5)	(5)	(4)	(4)	(3)	(3)
Profit after tax per employee	7	7	6	4	3	2

^{*)} include personnel expenses and other operating expenses

SELECTED FINANCIAL INDICATORS – THE BANK

in millions of CZK	2025	2024	2023	2022	2021	2020
Annual figures						
Profit before tax	6,775	7,847	7,829	5,347	1,879	1,349
Tax	(1,086)	(1,495)	(1,508)	(1,227)	(420)	(292)
Profit for the period	5,689	6,352	6,321	4,120	1,459	1,057
Year-end position						
Equity	37,989	39,555	39,690	35,054	23,477	20,888
Deposits and loans from banks	21,768	6,763	8,256	8,520	4,298	1,405
Deposits from customers	190,101	227,136	216,733	159,575	149,306	132,428
Due from banks	1,414	219	271	487	1,321	567
Loans and other advances to customers	109,233	109,351	100,270	103,644	88,265	93,381
Assets	277,480	314,884	289,436	220,172	194,134	166,236
Ratio indicators						
Return on equity	14.67 %	16.03 %	16.91 %	14.08 %	6.58 %	5.17 %
Return on assets	1.92 %	2.10 %	2.48 %	1.99 %	0.81 %	0.69 %
Capital adequacy	21.83 %	22.94 %	24.84 %	20.36 %	17.65 %	16.73 %
Cost-to-Income ratio	36.92 %	33.75 %	27.02 %	28.30 %	45.46 %	47.14 %
NPL ratio	1.98 %	2.43 %	3.44 %	4.28 %	3.06 %	3.00 %
Average converted number of employees	741	709	698	644	581	553
Assets per employee	374	444	415	342	334	301
Administrative costs* per employee	(6)	(5)	(4)	(4)	(4)	(4)
Profit after tax per employee	8	9	9	6	3	2

* include personnel expenses and other operating expenses

The definition of the key alternative performance indicators used for the Group and the Bank is presented in a separate section of this Annual Financial Report.

REPORT OF THE BOARD OF DIRECTORS

BANK MANAGEMENT



Štěpán Ašer, MBA
Chairman of the Board of Directors



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



Ing. Petr Vodička
Member of the Board of Directors



Ing. Tomáš Hejduk
Member of the Board of Directors



Ing. Tomáš Klimíček
Member of the Board of Directors

BOARD OF DIRECTORS

Štěpán Ašer, MBA	Chairman of the Board of Directors
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
Ing. Petr Vodička	Member of the Board of Directors
Ing. Tomáš Hejduk	Member of the Board of Directors (from 28 April 2025)
Ing. Tomáš Klimíček	Member of the Board of Directors (from 1 June 2025)
Ing. Igor Kováč	Member of the Board of Directors (until 30 November 2025)

AUTHORISED SIGNATORY

Ing. Alena Tkáčová

SUPERVISORY BOARD

Ing. Jozef Tkáč	Chairman of the Supervisory Board
Ing. Ivan Jakobovič	Vice-Chairman of the Supervisory Board
Ing. Dušan Palcr	Member of the Supervisory Board
Jitka Šustová	Member of the Supervisory Board
JUDr. Jaroslava Sragner	Member of the Supervisory Board
Ing. Jozef Kollár, Ph.D.	Member of the Supervisory Board
Marc Jean Jules Derydt	Member of the Supervisory Board
Ing. Radoslav Míšek, Ph.D.	Member of the Supervisory Board
Ing. Igor Kováč	Member of the Supervisory Board (from 1 December 2025)
Mgr. Jozef Šepetka	Member of the Supervisory Board (until 30 November 2025)

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.

VISION AND STRATEGY

The year 2025 confirmed that the Bank is able to grow even in an environment full of uncertainty. At the same time, it showed us where we need to head next.

The global economy enters 2026 with an ambivalent legacy: monetary easing on both sides of the Atlantic, historically record gold prices, a massive fiscal turnaround in Germany, the ongoing US trade war and the unprecedented pressure of artificial intelligence on the entire industry. For the Bank, focused on private clientele and the corporate segment, this environment is not a threat but a space where we can offer real added value to our clients.

Being a bank for a complex world

Our vision is to be an institution that helps clients navigate and prosper precisely when markets are confusing and simple solutions are not enough. The past year was an illustration of what this means in practice.

The results of the Wealth Report 2025 – for the first time in history, Czech and Slovak dollar millionaires earned more from equities than from their own businesses – are a clear proof that private clientele needs a partner who understands their world from both sides: as an investor and as an entrepreneur. It is precisely for this model that we have built the Bank.

The widest range of asset management on the market

As for investment products, in 2025 we further strengthened our position as an institution with the widest range of actively managed funds on the Czech market. Today, our product platform covers the entire spectrum, i.e. from the equity and mixed funds J&T OPPORTUNITY otevřený podílový fond and J&T DIVIDEND FUND, through the euro fund J&T SELECT EUR zmiešaný o.p.f., to first-class brokerage services that open up direct access to global capital markets for clients. In addition to our own products, we also provide our clients with a wide selection of third-party funds, thus covering practically the entire investable spectrum and allowing the creation of a portfolio that meets truly individual needs.

Alongside traditional products, we are systematically expanding our offering of alternative investments. At the end of the third quarter, the J&T ARCH INVESTMENTS fund exceeded CZK 196.7 billion in managed assets, with a return of more than 17% to investors in the koruna class over the past twelve months. The decision to introduce a capacity fee on new subscriptions and prepare the successor fund J&T ARCH II is a strategically fundamental step as we are not heading towards a single flagship product, but to-

wards a platform with multiple pillars and different risk profiles. In 2025, we further expanded our alternative offering with the newly established funds J&T Hedge Funds otevřený podílový fond and J&T World Private Capital otevřený podílový fond, which open up access for clients to segments that until recently were available only to the largest institutional investors.

Proactive product creation responding to the times

We believe that the task of a bank of our size is not just to offer good products – but to be able to recognize opportunities before they become mainstream, and transform them into specific investment solutions. An example is the launch of a fund focused on the defense industry in response to the unprecedented rearmament of Europe and the change in the security doctrine of the entire continent. This fund is not just a product – it is an expression of how we understand our role: to be a guide for clients at a time when the rules of the global order are shifting.

We want to systematize this approach in the coming years. We will continue to monitor structural trends – energy transformation, technological disruption, demographic changes, geopolitical realignment – and actively create products that allow clients to participate in these trends.

Atlantik financial advisor platform

Quality distribution of investment products requires every link in the chain to function at the highest level. Therefore, we decided to move the cooperation with external financial advisors into a separate platform, ATLANTIK finanční trhy, a.s. Our intention is to make this platform the best one-stop-shop for financial advisors in the Czech Republic in the coming years – a place where they will find the widest product offering, excellent service, as well as tools for effective work with clients.

By taking this step, we are simultaneously freeing up capacity on the Bank's side so that we can further develop our own advisory services – making it easier for clients to navigate the complex offering, improving the processes of selecting and building portfolios, and pushing the quality of investment advice to a level that meets the demands of the most exacting clients.

Capital markets as a partner for ambitions

Our intention remains to be the largest arranger of bond issues on the domestic market in the Czech Republic and Slovakia. At the same time, we want to enter more actively into the recovery in the primary equity markets. Through our brokerage, we currently record strong demand from domestic investors to participate in equity IPOs, and we want to systematically connect this demand with issuers for whom domestic retail and private cli-

entle can represent a strategically valuable part of the investor base.

In the area of direct financing, we want to be a partner for the ambitions of our clients – whether it involves acquisitions, restructuring, or development projects. We want to deepen our presence in these segments across the European region and systematically develop cooperation with other banks on the Czech market in preparing syndicated financing for larger entities. Lower ECB rates, the revival of the German fiscal space and the European agenda of strategic autonomy in the areas of infrastructure and defense will bring increased demand for capital financing in the coming years – and for clients already operating in this field, we aim to be their primary contact.

J&T BANKA, a.s. as a European issuer and its outlook on the capital markets

The successful placement of our own EUR 300 million Eurobond in 2025, with an oversubscription exceeding EUR 860 million, was an important milestone – a confirmation that the Bank is an institution whose debt is of interest to sophisticated international investors. Our intention is to build on this foundation and profile ourselves as a regular European issuer of our own debt instruments, building a consistent presence in international capital markets.

In the medium term, we also want to be prepared for the possible listing of the Bank on the equity market. It is not an end in itself, but the logical culmination of our trajectory: an institution with transparent results, a diversified business model and growing international visibility should have this option open – and be ready for it when the right moment comes.

Technology as a means, not a goal

The launch of new digital channels in 2025 is part of a longer-term approach as we invest in infrastructure that makes everyday operations easier for clients, but never at the expense of personal relationships and individual care. We will use artificial intelligence where it truly adds value – in data analysis, personalization and operational efficiency – and approach the concentration risk, which is also discussed by leading global asset managers, with caution.

Strategic variable: the macro environment

The CNB stopped the rate-cutting cycle due to persistent pressure on service prices and wage growth. The ECB continued easing and cut the deposit rate to 2.00% at the end of 2025². For our

clients, this means an environment in which simply holding cash is no longer a strategy, and in which alternative assets, real investments and well-structured debt portfolios are gaining in attractiveness.

Geopolitical fragmentation further reinforces the demand for diversification and access to actors who understand the complexity of the world. The record gold prices in 2025 are a symptom of a deeper shift as investors are looking for real assets and protection against scenarios that they did not consider relevant just a few years ago. Our product ecosystem – from alternative funds to bonds to direct financing – is ready to respond to this demand.

Commitment for 2026 and beyond

The Bank enters 2026 with a clear agenda: to expand the alternative investment platform, strengthen our position in capital markets and financing, develop private banking with an emphasis on the complexity of client needs, build ATLANTIK finanční trhy, a.s. as the leading platform for financial advisors, and invest in technologies that enable us to serve clients better. All that without losing what sets us apart: personal approach, speed of decision-making and willingness to do things differently.

The world is changing fast. We are changing with it – but on the foundations that we have built deliberately and patiently.

2) Source: ECB, https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html

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 2025;
- 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 Taxonomy Regulation.

Prague, 27 March 2026



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



Ing. Michal Kubeš
Member
of the Board of Directors
J&T BANKA, a.s.

FINANCIAL MARKETS

In terms of the macroeconomic situation, the year 2025 was marked by a normalisation of conditions in most economies. Inflation predominantly slowed back towards the targets of central banks, which cut rates during the year and, in some cases, even proceeded to end the rate-cutting cycle. However, shocks to the global financial markets and macroeconomic developments were primarily brought about by the tariff policy of the old-new US President Donald Trump.

Through a series of measures, Trump largely rewrote the rules of international trade. During the so-called "Liberation Day" (2 April 2025), he imposed high tariffs (11% to 50%)³ on most global economies, including all major ones (the EU, China, Canada, Great Britain, India), on account of reconciling the US trade balance. Later in the year, Trump repeatedly changed tariffs, concluded trade agreements, introduced new tariffs and, conversely, cancelled some. This created noticeable volatility in the markets as well as in economic developments. At present, the US has already concluded trade agreements with most of its major partners; negotiations with China remain open for the time being. As a result, however, the tariff rate for imports to the US multiplied compared to the situation prior to April 2025. Barriers in world trade thus exist and their impacts on the economies already managed to manifest themselves in 2025.

The macroeconomic situation in the US began to complicate significantly around the middle of the year. At the beginning of the year, the US Central Bank paused its rate-cutting cycle, and the tariff policy translated into increased costs and accelerating inflation again. At the same time, higher costs undermined the stability of the labour market, which began to weaken significantly in the US. The economic situation at the end of the year was also complicated by a historically long shutdown of the US federal government, as there was no consensus on the form of federal funding. Macroeconomic data was not published, and investors and the Fed thus faced increased uncertainty. Ultimately, the Fed gave more weight to labour market concerns and, despite persistently elevated inflation, returned to cutting rates at the end of the year. Thus, at the end of the year, they stood at 3.50 %–3.75 %⁴. One to two additional cuts of 25 basis points are expected for 2026; the same should apply to 2027⁵. Inflation is expected to be around 3% and unemployment close to 4.5 %. The US economy should grow at a 2.3 % rate in 2026.⁶

3) Source: The White House, www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/

4) Source: Fred, fred.stlouisfed.org/series/FEDFUNDS

5) Source: FedWatch Tool, www.cmegroup.com/markets/interest-rates/cme-fedwatch-tool.html

6) Source: Federal reserve, www.federalreserve.gov/monetarypolicy/fomcprojtabl20251210.htm

The situation in the euro area and the Czech Republic was noticeably clearer, as inflation slowed close to 2% and remained there at the end of the year⁷. This enabled the European Central Bank ("ECB") and the CNB to end the rate-cutting cycle in the first half of the year and keep rates stable at 2.00 % (ECB)⁸, and 3.50 % (CNB), respectively⁹. In Great Britain, a return to rate cuts is expected after the inflation peak; in Poland, which massively cut rates (5.75 % in January, 4.00 % in December) in response to slowing inflation (4.9 % in January, 2.4 % in November), there is also room for additional cuts. Despite pre-election pressure, Hungary keeps rates still high (6.50 %)¹⁰. The performance of the euro area and Czech economies was surprisingly strong, with robust household consumption driving economic performance. A question mark of uncertainty remains over the condition of industry in Germany and the Czech Republic, but both should be supported by the German government's planned massive fiscal stimulus into infrastructure and armaments.

Globally, the increased loosening of fiscal plans was reflected in a global increase in 10-year bond yields in 2025. Massive growth was recorded especially in bond yields of France, which, due to protracted political and economic crises, surpassed Italian bonds in yields and had their credit downgraded.

In general, the financial market was significantly inclined towards risk in 2025. Equity indices repeatedly pushed their highs as bets strengthened on the development of artificial intelligence and related sectors (energy, cloud services, chips, data centres). Significant gains were also posted by the defence industry in the atmosphere of ongoing war conflicts (the Russian war of conquest against Ukraine, the conflict in the Middle East). Although there were some corrections at the end of the year, primarily in risk assets associated with AI or Bitcoin, related to both the uncertainty arising from the shutdown of the federal government, the Fed's actions, and mainly the stretched valuations of some technology companies, overall, 2025 was marked by extraordinary growth in the capital markets. Gold hovered at extraordinary yields in 2025, posting year-on-year gains of over 50 %¹¹ thanks to central bank purchases, the weakening dollar and the increased level of uncertainty surrounding the hitherto safe haven of the US economy. In terms of performance, the Prague

Stock Exchange came close to gold among the indices, having experienced another extraordinary year.

The sentiment, particularly of Czech households, was affected by the fact that the Czech Republic went through an election year from which the ANO movement emerged victorious. Andrej Babiš became Prime Minister and formed a government with the SPD party and the Motoristé sobě formation.

Significant events of 2025

January

On 30 January 2025, the ECB decided to cut base rates by 0.25 percentage point, i.e. to reduce the base deposit rate to 2.75 %¹².

February

After repeated cuts in the base repo rate in 2024, the CNB Bank Board continued this trend in 2025. On 6 February 2025, at its regular meeting, it decided to cut the base repo rate further by 0.25 percentage point to 3.75 %¹³.

As a representative for the retail offering, the Bank, together with two other major Czech institutions, successfully participated in the placement of new shares of Doosan Škoda Power, a leading Czech manufacturer of power equipment and turbines and a provider of engineering solutions.

The Bank opened a representative office in Warsaw with the prospect of entering another of the neighboring countries' markets.

March

J&T ARCH INVESTMENTS announced its 2024 results with total net assets of CZK 121.5 billion (equivalent to EUR 4.8 billion), further solidifying its position as the largest fund in the Czech Republic and Slovakia. For 2024, the fund delivered a return to investors of 17.44% for the koruna class and 16.02% for the euro class¹⁴.

7) Source: Eurostat, ec.europa.eu/eurostat/cache/dashboard/prices/

8) Source: Security Information Service (BIS), data.bis.org/topics/CBPOL/data

9) Source: Czech National Bank (CNB), <https://www.cnb.cz/cs/menova-politika/br-zapisy-z-jednani/Rozhodnuti-bankovni-rady-CNB-1746621000000/>

10) Source: Security Information Service (BIS), data.bis.org/topics/CBPOL/data

11) Source: Trading Economics, tradingeconomics.com/commodity/gold

12) Source: Security Information Service (BIS), data.bis.org/topics/CBPOL/data

13) Source: Czech National Bank (CNB), www.cnb.cz/cs/menova-politika/br-zapisy-z-jednani/Rozhodnuti-bankovni-rady-CNB-1738848600000/

14) Source: J&T ARCH, <https://www.jtarchinvestments.cz/clanky/novinky/j-t-arch-uzavrel-rok-2024-s-objemem-aktiv-pres-121-5-miliardy-koron>

On 6 March 2025, the ECB decided to cut base rates by 0.25 percentage point, i.e. to reduce the base deposit rate to 2.50 %¹⁵.

On 26 March 2025, the CNB decided to keep the base repo rate unchanged at 3.75 %.¹⁶

April

The Bank published its 2024 results¹⁷ on a consolidated basis with the highest ever net profit of CZK 6.3 billion, with a stable equity at the amount of CZK 40.9 billion and a capital adequacy ratio of 22.9 %. It thus confirmed its stable performance and ability to grow despite a volatile economic environment. The positive results were mainly due to a significant increase in client assets, the volume of which broke the CZK 720 billion mark at the end of the year. However, not only the business success in the area of asset management, but also good results in primary securities issues and trading with financial instruments on secondary markets contributed to the increase in the Group's net fee and commission income to CZK 3.2 billion.

On 17 April 2025, the ECB decided to cut base rates by 0.25 percentage point, i.e. to reduce the base deposit rate to 2.25 %.¹⁸

Tomáš Hejduk became a new member of the Bank's Board of Directors, taking over responsibility for the risk management area.

The international rating agency Moody's confirmed the Bank's long-term deposit rating at the Baa2 level and improved the rating perspective from stable to positive.

JTFG announced the results¹⁹ for 2024, closing the year with a net profit of EUR 338 million, a total balance sheet of EUR 17.9 billion and a capital adequacy ratio of 19.93%.

May

JTFG agreed on the sale of its majority interest (98.45%) in the Slovak 365.bank with the Belgian bank-insurance group KBC, the parent company of ČSOB. The transaction is subject to the approval of the relevant regulatory authorities.²⁰

On 7 May 2025, the CNB decided to cut the base repo rate by 0.25 percentage point to 3.50 % with a commentary indicating the approaching end of the base interest rate cutting cycle.²¹

The Bank successfully placed bonds on the international market in the total amount of EUR 300 million maturing in 2031. The bonds were issued under the Bank's international emission program, bear a fixed interest rate of 4.5 % p.a. and are redeemable early in 2030. Seventy institutional investors participated in the transaction. Over 40 % of the issue volume was subscribed by investors from Central and Eastern European countries, 33% from Great Britain and Ireland, 15% from Germany, Switzerland and Austria, 5 % from Italy and 4% from other countries. Asset managers (65 %), insurance companies and pension funds (12 %) and private banks (7 %) were the most represented. The proceeds from the issue were partially used to repay previously issued bonds and will be further used to finance the issuer's business activities. The issued bonds became part of the Bank's so-called eligible liabilities and strengthened its capital position.

CZECHOSLOVAK GROUP a.s. granted a mandate to a consortium of banks, including the Bank, to place a new issue of five-year senior secured bonds with an expected total nominal value of up to CZK 10 billion.

The Bank, as lead manager, received a mandate to place new bonds in the volume of up to CZK 2.5 billion and EUR 50 million under the bond program of the EMMA Capital investment group; the bond program was coordinated through J&T IB and Capital Markets, a.s.

June

Petr Sklenář, who served as the Bank's chief economist for a long 15 years, took up the position of Director of the CNB's Monetary Department on 1 June 2025.

Tomáš Klimíček became a new member of the Bank's Board of Directors, taking over responsibility for the IT, legal and HR area.

On 5 June 2025, the ECB decided to cut base rates by 0.25 percentage point, i.e. to reduce the base deposit rate to 2.00 % with

15) Source: Security Information Service (BIS), data.bis.org/topics/CBPOL/data

16) Source: Czech National Bank (CNB), www.cnb.cz/cs/menova-politika/br-zapisy-z-jednani/Rozhodnuti-bankovni-rady-CNB-1742995800000/

17) Source: J&T BANKA, www.jtbank.cz/clanky/insight/j3ililtpgt-rok-2024-byl-pro-j-t-banku-rekordni-rostl-zisk-i-objem-spravovaneho-majetku

18) Source: Security Information Service (BIS), data.bis.org/topics/CBPOL/data

19) Source: J&T FINANCE GROUP, www.jtfg.com/clanky/tiskove-zpravy/skupina-j-t-finance-group-se-uzavrela-rok-2024-se-ziskem-338-milionu-euro

20) Source: Deloitte, www.deloitte.com/cz-sk/cs/mnaport/articles/clanky-transakce/2025-q2/j-t-finance-group-proda-svj-vt-inovy-podil-ve-slovenske-365-bank.html

21) Source: Czech National Bank (CNB), www.cnb.cz/cs/menova-politika/br-zapisy-z-jednani/Rozhodnuti-bankovni-rady-CNB-1746621000000/

a comment suggesting the approaching end of the interest rate cut cycle.²²

J&T ARCH INVESTMENTS announced a 4.07 % appreciation of the funds of investors in the CZK class and 3.79 % appreciation of the EUR class for the first quarter of 2025. The total net assets of the fund increased to CZK 140.9 billion (equivalent to EUR 5.64 billion) as of 31 March 2025.²³

On 25 June 2025, the CNB decided to keep the base repo rate unchanged at 3.50 %.²⁴

Nadace J&T celebrated 21 years of supporting hundreds of projects focused on social assistance, health care and education with a total amount of nearly CZK 1 billion.

July

The Czech Statistical Office (CZSO) announced that the annual change in consumer prices as of 30 June 2025 was +2.9 %.²⁵

August

J&T ARCH INVESTMENTS executed one of its largest individual transactions to date when it purchased a 4.27 % stake in the entertainment and gaming group Allwyn International AG from the KKCG investment group for roughly EUR 500 million (approximately CZK 12.3 billion).²⁶

September

The Bank published its results for the first half of 2025 with a net profit of CZK 4.1 billion and a balance sheet total of CZK 319.8 billion.²⁷

J&T ARCH INVESTMENTS announced a 3.61 % appreciation of the koruna class and 3.28 % appreciation of the euro class for the second quarter of 2025. The fund's total net assets increased to CZK 176 billion (equivalent to EUR 7.1 billion) as of 30 June 2025.²⁸

October

Colt CZ Group SE mandated a consortium of banks, including the Bank, to place a new bond issue in a total volume of up to CZK 6 billion.

November

Štěpán Ašer, CEO and Chairman of the Board of Directors of the Bank, received the Banker of the Year 2025 award.²⁹ The award is presented within the Mastercard Bank of the Year competition, and is decided by a jury composed of top representatives of the nominated banks, who evaluate the long-term work and contribution of individual managers to the banking sector.

The Bank received a mandate to place a new issue of secured bonds for KKCG Real Estate Group from the KKCG Group in the volume of up to CZK 2 billion. The arranger of the issue was J&T IB and Capital Markets, a.s.

December

J&T ARCH INVESTMENTS announced a 3.82 % appreciation of the funds of investors in the CZK class and 3.45 % appreciation of the EUR class for the third quarter of 2025. The total net assets of the fund thus stopped just short of CZK 200 billion (equivalent to more than EUR 8 billion) as at 30 September 2025.³⁰

Having reached a total fund size of more than EUR 8 billion, and in view of keeping its public promises and its ability to continue its investment activity, J&T ARCH INVESTMENTS announced a restriction on the inflow of new investment capital through public issues of new investment shares of non-institutional classes.

22) Source: ECB, https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html

23) Source: J&T ARCH, <https://www.jtarchinvestments.cz/clanky/novinky/j-t-arch-pokracuje-v-rustu-za-poslednich-12-mesicu-ripsal-korunovym-investorum-temer-17>

24) Source: Czech National Bank (CNB), www.cnb.cz/cs/menova-politika/br-zapisy-z-jednani/Rozhodnuti-bankovni-rady-CNB-1750854600000/

25) Source: Czech Statistical Office (CZSO), <https://csu.gov.cz/rychle-informace/indexy-spotrebitelskych-cen-inflace-cerven-2025>

26) Source: J&T ARCH, https://www.jtarchinvestments.cz/clanky/zpravy_z_portfolio/j-t-arch-investuje-do-loterijni-skupiny-allwyn-karla-komarka

27) Source: J&T Banka, www.jtbank.cz/clanky/komentare/j3ipy80dad-j-t-banka-cisty-zisk-za-prvni-polovinu-roku-4-1-mld-kc

28) Source: J&T ARCH, <https://www.jtarchinvestments.cz/clanky/novinky/j-t-arch-ve-druhem-kvartale-opet-rostl-zejmena-diky-primarnimu-upisu-akcii-tak-objem-fondu-cini-176-miliard-korun>

29) Source: Mastercard Bank of the Year, <https://bankaroku.cz/tz/mastercard-bankou-roku-2025-je-ceska-sporitelna-mez-pojistovnamy-zvitezila-kooperativa-partners-banka-ziskala-mimoradnou-cenu-poroty/>

30) Source: J&T ARCH, <https://www.jtarchinvestments.cz/clanky/novinky/j-t-arch-ve-3q-na-dosah-200-mld-kc-za-poslednich-12-mesicu-ripsal-korunovym-investorum-pres-17>

FINANCIAL RESULTS OF THE GROUP

The year 2025 was a period of gradual normalisation in the Czech Republic after turbulent years that brought a significant price shock, tightening of monetary policy and a subsequent reversal of the interest rate cycle. According to a preliminary estimate by the CZSO, the gross domestic product of the Czech Republic grew by 2.5 %³¹ in 2025, while the average annual inflation rate amounted to 2.5 %³², according to CZSO data, i.e. in line with the stabilisation near the CNB's 2 %³³ inflation target.

The CNB continued to ease monetary policy during the year and in the spring of 2025 reduced its key 2W repo rate to 3.50 %³⁴, while in the following months it proceeded to stabilise it at this level. The decision to leave rates without further adjustments reflected a cautious stance towards persistent inflation risks, especially in services and the real estate market, and at the same time an effort not to hinder the gradual recovery of economic activity.

Meanwhile, a similar process of moderate rate cuts by the ECB was underway in the euro area, which reduced yields on bank assets and required a disciplined approach to the management of the Bank's balance sheet.

At the same time, the Group faced intensifying competition in the area of deposit products, pressure on margins and the rapidly developing digitalisation of services.

At the global level, financial markets remained influenced by geopolitical tension and US tariff policy, including the introduction of new tariffs, which increased volatility in equity and bond markets during the year and supported temporary fluctuations in risk premiums.

The Group also operated in this environment, in which the Bank accounts for a decisive part of the Group's total assets and profit, specialising primarily in corporate and investment banking and private banking and asset management, with a strong emphasis on conservative risk management, liquidity optimisation and diversification of funding sources.

Balance sheet – assets

The Group's balance sheet total was CZK 281,224 million as at 31 December 2025, which represents a decrease of CZK 36,466 million, i.e. approximately 11.5 %, compared to CZK 317,690 million in 2024. This development reflected a targeted reduction in the

balance sheet total as a result of the gradual reduction of excess liquidity in the context of the downward phase of the interest rate cycle, when market rates were falling and the yield margin from deposits with the central bank was decreasing.

The most significant movement in the structure of assets was reflected in the Cash and cash equivalents item, which decreased from CZK 118,631 million in 2024 to CZK 88,878 million in 2025, i.e. by CZK 29,753 million (-25.1 %). The decrease is a direct consequence of a change in the approach to managing the liquidity cushion, where the Group shifted a part of the liquidity deposited in accounts with central banks and in short-term instruments to more profitable bond portfolios, primarily government bonds of the Czech Republic and Slovakia.

At the same time, the Group significantly expanded its exposure in investment securities. Investment securities for trading increased to CZK 9,981 million from CZK 7,373 million, i.e. by CZK 2,608 million (+35.4 %). The increase reflects a more active utilisation of market opportunities and flexible portfolio management in an environment of increased volatility in the financial markets.

Investment securities mandatorily measured at fair value through profit or loss were CZK 14,307 million (2024: CZK 10,844 million), which represents an increase of CZK 3,463 million (+31.9 %) resulting from positive revaluation and the purchase of new investments.

On the contrary, Investment securities measured at fair value through other comprehensive income decreased from CZK 10,142 million to CZK 8,377 million, i.e. by CZK 1,765 million (-17.4 %); the decrease is related to the optimisation of the long-term investment portfolio, in which the Group reassessed the structure of individual issues also with regard to capital indicators.

Within the strategic liquidity transformation, the Investment securities at amortised cost were instrumental and reached CZK 35,629 million compared to CZK 29,154 million in 2024, i.e. an increase of CZK 6,475 million (+22.2 %). This is primarily a portfolio of government bonds, which the Group is building with the intention of long-term stabilisation of net interest income during a period of volatile market interest rate development, and at the same time as a more attractive alternative to free liquidity deposits with the central bank, in accordance with the internal intention to change the structure of the liquidity cushion.

31) Source: Czech Statistical Office, 31 January 2026, <https://csu.gov.cz/rychle-informace/predbezny-odhad-hdp-4-ctvrtleti-2025>

32) Source: Czech Statistical Office, 13 January 2026, https://csu.gov.cz/mira_inflace

33) Source: Czech National Bank (CNB), <https://www.cnb.cz/cs/menova-politika/inflacni-cil/>

34) Source: Czech National Bank (CNB), 7 May 2025, <https://www.cnb.cz/cs/menova-politika/br-zapisy-z-jednani/Rozhodnuti-bankovni-rady-CNB-1746621000000/>

Loans and advances to customers at amortised cost, which are the largest item of the Group's assets, amounted to CZK 109,437 million (2024: CZK 110,575 million), representing only a slight year-on-year decrease of CZK 1,138 million (-1.0 %). The Group continued to grow its corporate loan portfolio, which is one of its key business pillars, while the overall stagnation of the aggregate loan volume was mainly due to the reduction of shorter and less strategic exposures. This approach is in line with the emphasis on portfolio quality, selective choice of transactions and conservative credit risk management.

Disposal groups held for sale increased from CZK 26 million to CZK 1,708 million, which represents an increase of CZK 1,682 million. This significant year-on-year increase is related to the fact that in 2025, the Group progressed in the process of preparing for the entry of a strategic partner into its Croatian subsidiary J&T banka d.d. Upon completion of the transaction, the Group's share will decrease to 50% and it will lose exclusive control over this entity. In accordance with IFRS requirements, J&T banka d.d. was therefore classified as a disposal group held for sale as at 31 December 2025, as it met the condition of being available for immediate sale and the completion of the transaction is considered highly probable according to IFRS criteria.

On the contrary, Other assets decreased significantly from CZK 23,759 million to CZK 5,300 million, i.e. by CZK 18,459 million (-77.7 %), due to the restriction on the inflow of new investment capital into the J&T ARCH fund, managed by J&T INVESTIČNÍ SPOLEČNOST, a.s. and the subsequent decrease in the volume of receivables from client subscriptions.

Balance sheet – liabilities and equity

On the liabilities side, the Group recorded a significant movement in Deposits and loans from banks, which increased from CZK 7,711 million in 2024 to CZK 22,691 million in 2025, i.e. by CZK 14,980 million (+194.3 %). The increase reflects a more active use of interbank funding as a supplementary source of liquidity during a period when the Group was targeting a reduction in the excess balance sheet total and simultaneously shifting a part of its liquidity into bond portfolios.

The largest item of liabilities remains Deposits from customers, which amounted to CZK 188,290 million (2024: CZK 227,730 million), representing a decrease of CZK 39,440 million (-17.3 %). The decrease is related, on the one hand, to the overall slowdown in the dynamics of client deposits in the Czech Republic at lower rates, and, on the other hand, to the fact that some clients shifted their funds into investment products.

In accordance with this development, the Group also optimised the volume and structure of customer deposits, focusing on

cost-effective funding through rate adjustments and product offerings, while consistently maintaining the granularity, stability and predictability of its deposit base. Such an approach led to an improvement in the unit price of funding while maintaining a robust and diversified deposit base.

The Issued investment securities item increased to CZK 7,739 million from CZK 3,353 million, i.e. by CZK 4,386 million (+130.8 %), driven mainly by the Bank's successful issue of eligible liabilities on the international market in the amount of EUR 300 million, which replaced a smaller issue of EUR 120 million from 2023. The issue, with a five-year maturity and a spread of 225 bps over the relevant reference swap rate, confirmed investors' confidence in the Group's credit profile and, at the same time, contributed to fulfilling the regulatory requirements for the minimum requirement for own funds and eligible liabilities (MREL).

Other liabilities decreased from CZK 29,628 million to CZK 11,502 million, i.e. by CZK 18,126 million (-61.2 %), which reflects, similarly to Other assets, the impact of halting the inflow of capital into the J&T ARCH fund through primary subscriptions.

The Group's liabilities thus totaled CZK 241,247 million compared to CZK 276,707 million in 2024, representing a decrease of CZK 35,460 million (-12.8 %).

The Group's equity amounted to CZK 39,977 million, slightly less than CZK 40,983 million in 2024, representing a decrease of CZK 1,006 million (-2.5 %). The decrease is mainly associated with the dividend policy and the adjustment of the capital structure within the Group, however, the overall capital position remained very strong. The volume of share capital of CZK 10,638 million remained unchanged year-on-year.

Other equity instruments were CZK 6,271 million as at 31 December 2025, representing a year-on-year decrease of CZK 1,022 million (-14.0 %) compared to CZK 7,293 million in 2024. This development reflects the Bank's decision to partially redeem selected perpetual issues after obtaining the CNB's approval, which was subsequently reflected in the Group's consolidated results. The remaining perpetual capital instruments thus continue to form a stable part of the additional capital and support the Group's overall capital position.

According to the Group's consolidated financial statements, the total capital adequacy ratio was 21.94 % as at 31 December 2025, while the Bank, which is an individually regulated entity by the CNB, exceeds all set limits in the long term and has a sufficient capital buffer for planned future business development.

The volume of the Group's equity confirms its conservative capital profile, which allows it to absorb potential market fluctu-

ations, support the organic growth of the loan portfolio and finance strategic investments. Moreover, the stability of equity supports the Group's rating and investor confidence.

Income statement

Interest income and interest expense

Interest income calculated using the effective interest rate method were CZK 12,723 million in 2025, while in 2024 it amounted to CZK 18,308 million, representing a decrease of CZK 5,585 million (-30.5 %). The development primarily reflects the decline in market interest rates, lower interest on the portfolio of reverse repurchase agreements with the central bank compared to the previous year, the gradual revaluation of the loan portfolio, as well as the impact of the targeted reduction of excess liquidity held in central bank accounts.

Interest expense decreased from CZK 10,453 million to CZK 6,223 million, i.e. by CZK 4,230 million (-40.5 %); the decrease results from a combination of lower market rates and the optimisation of the volume and structure of customer deposits, which led to an improvement in the unit price of funding and a decline in the volume of deposits in an environment of growing competition and higher substitution by investment products.

The result of these opposing movements is a decrease in Net interest income from CZK 8,260 million in 2024 to CZK 6,956 million in 2025, i.e. by CZK 1,304 million (-15.8 %). The net interest margin was affected, on the one hand, by the downward trajectory of interest rates and a highly competitive environment in the deposit market, and on the other hand, it was positively influenced by the stable volume of the loan portfolio and the partial redirection of the liquidity cushion into bond portfolios.

Non-interest income

Fee and commission income increased significantly from CZK 3,632 million to CZK 5,168 million, i.e. by CZK 1,536 million (+42.3 %). The increase was driven primarily by the dynamic development of asset management (qualified investor funds, mainly J&T ARCH, and funds for the general public), higher activity in investment banking and higher fees for the placement and administration of corporate bond issues. During the year, the Group arranged corporate bond issues with a total volume exceeding CZK 30 billion.

The most significant part of Fee and commission expense, which increased from CZK 451 million to CZK 594 million (by CZK 143 million, i.e. +31.7 %), consists of commissions paid to external partners and distribution networks; the growth corresponds to the growth of collected fees on the income side.

Overall, Net fee and commission income amounted to CZK 4,574 million compared to CZK 3,181 million in 2024, representing an increase of CZK 1,393 million (+43.8 %). The trend is fully in line with the Group's goal of increasing the share of non-interest income and reducing dependence on the interest margin, with net fee and commission income in 2025 already accounting for 32.5 % of total operating income, while in 2024 the share was only 24.9 %. This confirms the ongoing diversification of income and the growing importance of fee-based business activities and segments.

In 2025, net income from trading and investments was CZK 2,280 million, while in 2024 it amounted to CZK 1,102 million, i.e. an increase of CZK 1,178 million (+106.9 %). Both gains from the revaluation of bonds and allotment certificates in an environment of falling interest rates, as well as higher volatility in the financial markets, which created trading opportunities, contributed to this significant improvement. The year 2025 was marked by a series of global events, including increased volatility related to the so-called Liberation Day in the USA, which brought sharp movements in the equity and bond markets. The Group managed to effectively use these market fluctuations, which was reflected in the above-average strong performance of the trading portfolio and the significant contribution of trading to total operating income.

The Group's operating income totaled CZK 14,087 million in 2025, representing a year-on-year increase of CZK 1,313 million compared to CZK 12,774 million in 2024 (+10.2 %). The growth in operating income reflects the ongoing diversification of revenues and the steadily increasing share of non-interest income, which played a key role in maintaining the Group's overall profitability in 2025.

Operating expenses

Personnel expenses increased from CZK 2,057 million to CZK 2,311 million, i.e. by CZK 254 million (+12.3 %), mainly due to wage inflation and the need to attract and retain qualified specialists in a competitive labour market environment.

Other operating expenses increased from CZK 2,477 million to CZK 2,759 million, by CZK 282 million (+11.4 %). This growth was mainly driven by investments in IT infrastructure, digitisation, and marketing and sponsorship costs, which were partially offset by lower mandatory contributions to sector funds.

Total operating expenses were CZK 5,217 million compared to CZK 4,678 million in 2024, representing an increase of CZK 539 million (+11.5 %). Despite the growth of the cost base, the Group was able to cope with the adverse development of interest margins and, thanks to the strong growth of non-interest income, ensured

higher profitability before allowances and provisions and maintained a high level of operating efficiency. The ratio of operating expenses to operating income (Cost-to-Income ratio) was 37.0 % (36.6 % in 2024).

Profit before allowances, provisions and income tax was CZK 8,870 million, which is CZK 774 million more than CZK 8,095 million in 2024 (+9.6 %).

Cost of risk and profit

The net change in loss allowances for financial instruments represented an expense of CZK 1,077 million, while a net income of CZK 182 million was recognized in 2024 (i.e. a deterioration of CZK 1,259 million, a change of -691.8 % in relative terms). This shift reflects the effect of a low comparative base after a very favorable year 2024 rather than a fundamental deterioration in portfolio quality.

In 2025, the Bank introduced an extended management overlay for the calculation of expected credit losses (ECL), which reflects the long-term slightly higher risk level of its portfolio compared to the market and a conservative approach to risk appetite. This accounts for the largest part of the cost of risk in 2025. Meanwhile, the quality of loan receivables remained very good, with a minimal volume of problem receivables and a historically low share of non-performing exposures in total loans provided to customers at the level of 2.38 % (2024: 2.94 %), which confirms that the higher cost of risk is primarily the result of a conservative modeling approach, rather than an increase in realised credit losses.

Despite the higher cost of risk, the Group maintained high profitability. Profit before tax reached CZK 7,965 million compared to CZK 8,024 million in 2024 (a decrease of only CZK 59 million, i.e. -0.7 %). Profit for the period increased from approximately CZK 6,300 million to a level exceeding CZK 6,500 million, representing a year-on-year increase of approximately CZK 200 million (around 3.2 %). The decrease in the effective tax rate from 21.4 % in 2024 to 18.3 % in 2025 contributed to its growth. At the same time, income tax was CZK 1,457 million compared to CZK 1,718 million in the previous year (a decrease of CZK 261 million; -15.2 %).

The Group thus recorded another historically highest profit in a row, confirming the resilience of its business model. It managed to achieve high profitability in an environment of falling interest rates and growing competition thanks to a combination of strong growth in non-interest income, active liquidity management and stable loan portfolio quality.

FINANCIAL RESULTS OF THE BANK

The year 2025 was marked by a gradual normalisation of economic activity in the Czech Republic, accompanied by the mitigation of inflationary pressures and continued easing of monetary policy by the CNB. Real interest rates fell towards neutral levels, which reduced the yield on interest-bearing assets, but at the same time created favorable conditions for more effective balance sheet management. The situation in the financial markets was influenced by increased volatility and fluctuations in risk premiums, while significant competition persisted in the area of deposit products and investment services.

In this situation, the Bank applied conservative liquidity management, gradually reducing the volume of excess liquidity resources, a part of which it also shifted into more profitable instruments. In doing so, it placed emphasis on funding stability, loan portfolio quality and the growth of non-interest income.

Development of assets

The total amount of assets at the end of 2025 was CZK 277,480 million, representing a decrease of CZK 37,404 million from CZK 314,884 million in the previous year (-11.9 %). This development reflects the strategic reduction of excess liquidity in the downward phase of the interest rate cycle and the optimisation of the Bank's balance sheet structure. Cash and cash equivalents decreased to CZK 88,411 million from CZK 117,990 million, i.e. by CZK 29,579 million (-25.1 %), mainly as a result of the transfer of a part of liquid funds from accounts with central banks to investment securities, primarily government bonds. Due from banks and other financial institutions increased to CZK 1,414 million (2024: CZK 219 million) in connection with the short-term depositing of liquidity with creditworthy financial institutions.

Investment portfolio

The trend of diversification in the investment portfolio continued. Investment securities for trading increased to CZK 9,715 million from CZK 7,235 million (+34.3 %), which reflects the Bank's higher activity in the markets and the utilisation of market opportunities in an environment of fluctuating bond and equity prices. The portfolio of investment securities mandatorily measured at fair value through profit or loss was CZK 13,281 million (2024: CZK 9,833 million, +35.1 %), while investment securities measured at fair value through other comprehensive income decreased to CZK 8,306 million (2024: CZK 9,724 million, -14.6 %) mainly as a result of the realisation of profits and the reclassification of a part of the portfolio.

Investment securities at amortised cost increased year-on-year to CZK 35,629 million from CZK 29,154 million (+22.2 %), which is

the result of the Bank's ongoing strategy to build a stable and more profitable portfolio of government bonds as an alternative to depositing liquidity through repo operations with the central bank and as a tool for stabilising net interest income in the long term.

Loans and other advances

Loans and other advances to customers were CZK 109,233 million (2024: CZK 109,351 million), remaining at the level of the previous year, while the slight decrease (of CZK -118 million) represents technical volatility due to the repayment of selected corporate exposures. The quality of the loan portfolio remains very good.

Other assets

Other assets decreased to CZK 4,214 million from CZK 23,158 million, representing a decline of CZK 18,944 million (-81.8 %). This decrease was primarily related to decrease in receivables arising from the subscription of investment shares in the J&T ARCH qualified investor fund. In 2025, these receivables significantly declined following the restriction of new client subscriptions to the fund, which was reflected in the overall decrease of the Other Assets.

Development of liabilities

On the liabilities side, the Bank recorded a significant increase in the item Deposits and loans from banks, which increased to CZK 21,768 million from CZK 6,763 million (+221.9 %). The growth was mainly driven by a higher volume of short-term repo operations with financial institutions, through which the Bank flexibly utilized interest rate differentials with the aim of realizing additional yield while maintaining stable funding.

Client deposits

Deposits from customers decreased to CZK 190,101 million from CZK 227,136 million (-16.3 %), which is the result of targeted optimization of costs and funding sources in an environment of falling market rates. While balances on current accounts increased to CZK 39,768 million (2024: CZK 37,946 million), term deposits and escrow accounts decreased to CZK 150,333 million (2024: CZK 189,190 million). At the same time, the Bank further expanded its client base and served 132,087 deposit clients at the end of the year, representing a slight year-on-year increase (2024: 131,513) despite the decline in the total volume of received deposits.

Issued investment securities

Issued investment securities increased to CZK 7,732 million from CZK 3,349 million (+130.9 %), mainly thanks to a successful issue of eligible liabilities (MREL) on the international market in the

amount of EUR 300 million, which replaced an older issue of EUR 120 million from 2023 and strengthened the diversification of the Bank's funding.

Other liabilities

Other liabilities decreased significantly to CZK 10,622 million from CZK 30,016 million (-64.6 %), which reflects a return to a long-term sustainable structure of liabilities after the previous year, when higher short-term liabilities related to the recording of temporarily unsettled items, primarily subscriptions to the qualified investor fund J&T ARCH, were reported in this item.

Equity

The Bank's equity decreased by CZK 1,566 million from CZK 39,555 million in 2024 to CZK 37,989 million (-4.0 %). Share capital remained unchanged at CZK 10,638 million, while retained earnings and other reserves decreased to CZK 21,080 million (2024: CZK 21,624 million) and other equity instruments to CZK 6,271 million (2024: CZK 7,293 million).

The Bank's capital position remains very strong. The capital adequacy ratio reached 21.83 %, which significantly exceeds all limits required by the regulator and confirms the Bank's ability to absorb risks and support the stable development of business activities. The Bank has long applied effective capital management focused on optimizing the structure of equity and managing risk-weighted assets.

Profit after tax

Profit after tax reached CZK 5,689 million in 2025, representing a year-on-year decrease (of CZK -663 million, -10.4 %) compared to the result of CZK 6,352 million in 2024. The development of the overall economic result reflects a combination of lower interest income caused by a decline in market rates, while the Bank simultaneously achieved significantly better results in the areas of fees, asset management, and trading and investments.

Interest income and interest expense

Interest income decreased by CZK 5,492 million to CZK 13,073 million from CZK 18,565 million in the previous year (-29.6 %). The most significant decrease was recorded by income from reverse repo transactions, which fell from CZK 7,958 million to CZK 3,260 million, as well as income from loans and advances to customers, which decreased from CZK 8,741 million to CZK 7,532 million. On the contrary, income from bonds and fixed-interest investments increased from CZK 1,519 million to CZK 2,019 million.

In addition, interest expense decreased significantly year-on-year to CZK 6,212 million (2024: CZK 10,418 million), mainly as a result of a decline in costs of liabilities to clients following the readjustment of interest rates on term deposits (from CZK 9,281 million to CZK 5,110 million). This development was reflected in a decrease in net interest income to CZK 6,861 million from CZK 8,147 million in 2024.

Fees and commissions

A positive development occurred in the area of fees and commissions, where the Bank achieved net income of CZK 2,407 million, representing a year-on-year growth of CZK 432 million (from CZK 1,975 million in 2024; +21.9 %). The most significant increase came from distribution and fund fees, which grew from CZK 830 million to CZK 1,170 million, reflecting significant growth in activity in qualified investor funds as well as retail funds. Fees for the arrangement and administration of corporate bonds increased to CZK 899 million (2024: CZK 814 million), confirming the Bank's position as a major arranger of corporate issues.

Fee and commission expense increased to CZK 482 million (2024: CZK 398 million) mainly due to higher commissions paid to the external distribution network in connection with the growth in the volume of assets under management and increased trading activity of investors. This trend is fully consistent with the growing importance of non-interest income for the Bank.

Income from trading and investments

The Bank also recorded favorable results as regards income from trading and investments, where net profit was CZK 2,282 million, representing a year-on-year increase of CZK 1,196 million (+110.0 %) compared to CZK 1,086 million in 2024. The development was driven primarily by robust growth in profit from derivative operations, which improved from CZK -147 million to CZK 2,217 million, and a significant increase in profit from the revaluation of securities (from CZK 686 million to CZK 1,357 million).

On the other hand, the Bank recorded a negative result from foreign exchange differences (CZK -1,303 million) after a previous positive result of CZK 490 million, which reflects adverse currency movements during the year.

Total operating income thus was CZK 12,344 million compared to CZK 11,908 million in 2024, i.e. an increase of CZK 436 million (+3.7 %), while this trend was supported by both non-interest income and trading.

Personnel expenses

In 2025, personnel expenses were CZK 1,868 million compared to CZK 1,694 million in 2024, representing a year-on-year increase of CZK 174 million (+10.3 %). The development reflects the persistent impact of wage inflation, increased competition in the labor market and long-term demand for specialized professional positions in areas such as IT, risk management or investment services.

In addition, the Bank continued to strengthen its teams related to digitisation and product development, placing emphasis on retaining key employees through appropriate wage adjustments and incentive mechanisms. Such a development corresponds to trends in the banking sector, where growing demands for expertise and regulatory adaptation contribute to a long-term increased pressure on personnel expenses.

Other operating expenses

In 2025, other operating expenses amounted to CZK 2,539 million compared to CZK 2,167 million in 2024, i.e. they increased by CZK 372 million (+17.2 %) year-on-year. The most significant item remains outsourcing services, which increased to CZK 1,509 million (2024: CZK 1,094 million) and reflect the growing volume of investments in digitisation, the need to secure IT services, transaction processing and operational security of the Bank's systems. Advertising expenses and promotion remained stable at CZK 238 million, as did other communication expenses, materials or repairs and maintenance.

A positive effect on the year-on-year development was brought by the decline in contributions to the Crisis Resolution Fund, which decreased from CZK 68 million to CZK 20 million, as well as slightly lower rental expenses (CZK 157 million as opposed to CZK 163 million in 2024).

Total operating expenses increased to CZK 4,557 million compared to CZK 4,019 million in 2024. This development corresponds to the scope of the Bank's activities and the need to continue investments in infrastructure, external services and fund management, which support the growth in the volume of client assets as well as the development of investment and banking services. The Cost-to-Income ratio slightly increased to 36.9 % (2024: 33.8 %), but still remained at a relatively low level compared to the market.

Operating profit

In 2025, operating profit reached CZK 7,787 million, compared to CZK 7,889 million in 2024, representing a slight year-on-year decrease of CZK 102 million (-1.3 %). This reflected the combined ef-

fect of the normalization of interest income, favorable dynamics of fee and trading income, and the growth of operating expenses.

Change in loss allowances

Net change in loss allowances for financial instruments was CZK -1,054 million in 2025, while in 2024 this item was positive at CZK 212 million, which means a year-on-year deterioration of CZK -1,266 million. The Bank's prudent approach to evaluating credit risks in a period of gradual economic recovery is reflected in this development.

In 2025, the largest portion of the cost of risk consisted of a new management overlay in the calculation of expected credit losses, which the Bank introduced with the aim of strengthening the resilience and stability of the ECL model in conditions of increased macroeconomic and geopolitical uncertainty. The overlay expands the existing model set-up with additional elements of prudence and takes into account a wider range of possible future scenarios. The approach supports the long-term stability of the Bank and increases its ability to absorb potential credit losses without a negative impact on its capital position.

Profit

Profit before tax reached CZK 6,775 million compared to CZK 7,847 million in 2024 (CZK -1,072 million). Net profit after tax was subsequently positively influenced by a lower amount of income tax, which decreased to CZK 1,086 million compared to CZK 1,495 million in the previous year (CZK -409 million). The lower tax burden thus partially dampened the impact of the year-on-year decline in profit before tax and contributed to the stabilisation of profit after tax compared to the previous year.

Overall, it can be stated that thanks to diversified income sources, the Bank demonstrated a high degree of resilience and the ability to generate stable profits in 2025, as the increase in net fee and commission income and profit from trading and investments fully compensated for the decline in net interest income caused by falling market interest rates.

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/Group'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/Group'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/Group 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".

Ratio of non-performing exposures in total loans to customers (NPL ratio)

The ratio is a basic indicator of the quality of the Bank's/Group's loan portfolio and is calculated as the ratio of "Non-performing exposures" to the total gross amount of "Loans and other advances to customers".

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/Group

publishes them as it considers them to be important indicators of its overall economic condition and its evolution over time.

INFORMATION TECHNOLOGY

Information technology services, with an emphasis on ensuring stability and compliance with regulatory requirements, are provided to the Bank by J&T SERVICES ČR, a.s. ("J&T SERVICES"), which is part of the parent company JTFG ("JTFG").

For information technology within JTFG, the year 2025 was a period of significant progress and further consolidation of technological stability. The IT transformation continued in accordance with the multi-year strategic plan set out in 2022 and focused on the gradual simplification and modernization of the Bank's architecture. A key goal was the reduction of technical debt, consolidation of applications and a gradual transition to modern technological platforms (especially the integration of artificial intelligence (AI) and cloud technologies). The transformation evolved in line with the long-term IT strategy.

In Q4 of 2025, the Information Systems Division was reorganized. Its purpose was to adapt IT management to rapidly developing technological trends and the needs of the entire JTFG. The new organizational structure, effective from 1 November 2025, unified IT competencies into logical units and reflects the transition to a modern operating model based on DevOps principles and cloud technologies. The change responds to the rapid development of AI, the strengthening role of cloud services, and the need for deeper integration of IT development and operations across teams.

The J&T SERVICES's top priority in 2025 was the stability of production applications that provide software support for business processes for other companies in JTFG as well as external clients. In 2025, the availability of applications to end users increased, reaching up to 99.9%. In addition, we successfully managed to minimize the duration of downtime of these applications.

Regulatory compliance became the second priority; in particular, the implementation of the requirements of the European DORA regulation was successfully completed. Furthermore, systematic preparation began for the implementation of the requirements of the new Act on Cyber Security, effective from 1 November 2025. It introduces new requirements in the area of cyber security into the Czech environment, resulting from the European Directive NIS2. J&T SERVICES also implemented technological and procedural changes related to new or amended legislation in the area of the EU Payment Services Directive (PSD2), the amendment to the VAT Act, or the new rules for safe and fast euro payments within the EU (SEPA payments).

The third priority was to deliver projects according to the business requirements of the JTFG group companies. In 2025, there was a significant shift in the development of IT products and

key banking platforms, such as the development of the customer relationship management (CRM) application, or the modernization of the application for managing anti-money laundering (AML) processes. In the area of technology and infrastructure, there was a substantial expansion in the use of cloud services within JTFC in 2025. For this purpose, the Azure Landing Zone architectural framework was implemented for building and managing the environment in the Microsoft Azure cloud platform. All resources in Azure are now deployed fully automatically, in accordance with the cloud catalog and security standards.

The individual departments of J&T SERVICES contributed to the fulfilment of the above priorities by implementing the strategic initiatives. These departments cooperate across the organization; in the technology area, the most intensive cooperation took place with the Security Department, which is a key partner in ensuring secure and reliable operations.

In 2025, the DevOps Financial Markets and Clients Department focused on managing the development and operation of key banking applications that ensure client trading on financial markets and support direct communication and transaction channels for clients. The department unified processes across teams with the aim of ensuring higher efficiency and quality of deliveries using the DevOps model. The purpose of the implemented changes was primarily to increase the transparency, consistency and quality of the ICT services provided.

The Technology Services and Support Department ensured the stability of IT application operations, carried out technological renewal (both in the area of hardware used and in the area of system modernization and effective use of cloud platforms), resolved operational incidents and requests, and provided continuous user support. In 2025, a simulated disaster recovery (DR) test of the primary Rustonka data center was successfully carried out.

The Data and Integration Department continued to develop the data warehouse (DWH) and optimize tools and processes for processing data from various sources (ETL/ELT processes), in order to increase the stability and quality of data flows. Moreover, it supported the automation of deployments in the data warehouse and the implementation of proactive data controls. The aim of these activities was to strengthen data governance, improve the quality of used data and information, and increase the efficiency of cooperation between IT and business teams.

In 2025, the Microsoft Platform Development Department ensured the development, administration and governance of key Microsoft technologies across J&T SERVICES. Significant capacities were devoted to the development of the customer relationship management (CRM) solution, including the delivery of

dozens of functional requirements, both for the new cloud CRM and for the existing internally operated system. The department also participated in the delivery of key applications such as the management information system, applications for managing key performance indicators, and others.

The IT Shared Services Department contributed to increasing operational stability by introducing automation into Release Management processes. The department cooperated on the creation and operation of a so-called cost model to increase the efficiency of the financial management of IT service deliveries. In the area of cooperation with external suppliers, new vendor management reporting was created to increase the quality of external deliveries, and SLA contracts were updated. The department was instrumental in the creation and operationalization of a new team responsible for the management, standardization and development of cloud services.

Furthermore, as a result of a change in the organizational structure, the department took over the responsibility for ensuring the technical operation of supporting applications, such as the JIRA request management tool or the internal personnel information system. Within Change Management, the department continuously ensured the implementation of change requests in IT systems according to business needs. The department was also dedicated to the implementation and execution of selected regulatory requirements and oversaw the successful implementation of corrective measures in response to audit findings.

A completely new specialized AI Department was created, which unified the development and operation of advanced AI solutions, introduced a uniform lifecycle for AI systems and significantly strengthened the use of artificial intelligence across JTFC. Thanks to the new AI governance in accordance with the EU AI Act regulation, processes for recording, risk classification and the safe deployment of AI were set up. At the same time, the first key AI applications were put into operation – from the automation of client statements, through the review of legal documents, to models for pricing and client segmentation.

In 2025, the Security Department carried out activities in order to strengthen the cyber, information and physical security of the entire JTFC group. The department developed identity and access protection through advanced tools such as CyberArk and IDM, supervised the safe handling of information assets and the correctness of user access across systems, and also played a key role in fulfilling regulatory requirements, including the verification of operational resilience and the execution of penetration testing. Additionally, it modernized security monitoring, resolved security findings, strengthened technology hardening and provided expert support across departments. An equally important part of the work was raising the security awareness of employees

through training and ensuring safe operations in all of the Bank's premises.

OTHER LEGAL REQUIREMENTS

For the year 2025, neither the Bank nor any other entities of the Group carried out any research and development activities.

Information on environmental activities for 2025 is contained in section E1 of the Consolidated Sustainability Report (the "Report") and information on labor relations for 2025 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>.

SUPPORT FOR VISUAL ARTS, MUSIC AND SPORT

A traditional partner of visual arts, music and sports

This year, the Bank continued to pursue its long-term partnerships directly or through its registered institute J&T NOBLESSE OBLIGE, while also implementing a number of its own projects that supported contemporary artists, educated about collecting and contributed to building the Magnus Art brand. In the Prague gallery of the same name, it organized a total of three exhibitions open to the public. Further, it organized a spectacular exhibition of contemporary Czech artists called J&T Banka Art Index Pop-up. The Bank supports the idea that wealth obliges both in the Czech Republic and in Slovakia.

J&T Banka Art Index Pop-up

The first weekend of September 2025 saw the fourth edition of the J&T Banka Art Index Pop-up, which the Bank organizes biennially. This spectacular showcase of the best of what is currently being created in the studios of contemporary Czech artists was held this time in the unconventional premises of the Bellevue Palace in the very center of Prague. It presented some 200 works by fifty artists, from painting to sculpture to video art.

As in previous years, the exhibition lasted just four days, during which it attracted a record 13,000 visitors. The public had free admission and could also participate in a number of guided tours and workshops for children and adults.

In addition to popularizing contemporary art among the general public, the aim of the project is also to support the artists themselves through the sale of their works. All exhibited works could therefore be purchased by the public. And because the exhibition has become a popular destination for collectors over the years, it managed to support the art scene with more than CZK 10 million.

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 three exhibitions on the theme of collecting in 2025. The gallery kicked off the year 2025 with the exhibition They Met in Vary ("Potkali se ve Varech"), which showed the results of works created during the art residencies in Karlovy Vary that the gallery had organized over the

previous year. Those interested could purchase the exhibited works of young Czech talents, thus expanding or starting their own art collection.

From May to August, the exhibition entitled Close Your Eyes and Still See ("Oči zavřít a přece uvidět") presented a selection from the private art collection of the award-winning jewelry designer Janja Prokič. It thus connected the worlds of jewelry and art and indicated that they are often not that far apart.

The Magnus Art gallery closed the year 2025 with the exhibition Premonition of the Unseen ("Tušení nespátřeného"), in which it presented the Fivewords collection. This is atypical for two reasons – firstly, it is backed by five collectors who jointly select the works and build the collection together, and secondly, it focuses exclusively on the work of students and recent graduates of Prague's art academies. Premonition of the Unseen thus provided an insight into the work of the youngest generation of Czech artists.

In its five years of operation, the gallery has already established itself in its neighborhood 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).

J&T Banka Art Index

Cooperation with the Art+ portal (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.

In 2025, for the very first time, women appeared in the top three positions of the ranking – Eva Kořátková, Kateřina Šedá and Anna Hulačová. The results of the J&T Bank Art Index thus suggest that the Czech art scene, following the global one, is beginning to open up more to women artists.

J&T Banka Art Report

In 2025, the Bank published the fourth 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 purchas-

ing and selling artworks, and perhaps even to confirm what we have only been able to assume.

The fourth edition of the Art Report, in addition to comparing data from previous years, focused on the topic of selling contemporary art, gallery operations, and the potential and pitfalls of foreign fairs.

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 J&T Banka, Czech art has finally returned to Venice. In 2025, the National Gallery in Prague was preparing for the upcoming next edition of the Venice Biennale, and an exhibition project was selected that will represent both the Czech and Slovak Republics simultaneously in 2026. In 2026, 100 years will have passed since the opening of the Czechoslovak Pavilion, and both countries therefore agreed on a joint presentation. This will again be supported by the Bank.

Cooperation with higher education institutions

Successful cooperation with the University of Applied Arts (UMPRUM) continued in 2025, which enabled the announcement of a student competition for the design of golf trophies. It was won by a student of the glass studio Sára Nedbálková with her design Imprint ("Otisk"). Representatives of the Bank imprinted a golf club into the designed glass shape directly during its manufacturing process at the glassworks. Each trophy thus became an absolute original.

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.

In 2025, the New Year's card was created by Czech designer Tereza Hradílková, who creates under the Porigami brand.

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

In 2025, the Bank was 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 philharmonic players 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 third 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.

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. Such a format was offered in 2025 by the second edition of the Troja Festival, which was also created with the support of the Bank.

Variations

The Variations ("Variace") project is a very original and attractive initiative that blends film screenings with classical music concerts. With the Czech Philharmonic also taking part, it further strengthens the cooperation between the two institutions. In 2025, the two-day program in Karlovy Vary featured a number of film screenings, a series of chamber concerts in unconventional venues and the Variations between Film and Music concert.

The Dejvice Theatre

The Dejvice Theatre ("Dejvické divadlo") has been a prominent part of the Czech theatre scene. Tickets for the show are in high demand and almost impossible to get. The Bank appreciates the ensemble's bold approach, elegance and relaxed nature, and thanks to this partnership it can bring this experience to its clients and partners as well.

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 2025.

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 its inception. 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

Slovak Design Centre

In 2025, the Bank continued its long-term cooperation with the Slovak Centre of Design (SCD), which it supported as a general partner for the ninth consecutive year. SCD is systematically engaged in research, documentation and access to cultural values in the field of design, art and architecture through the Slovak Design Museum.

Since 1993, the Centre has also announced the National Design Award competition, which is considered the highest professional award in this field in Slovakia. In 2025, the competition, together with the accompanying exhibition, focused on product design.

Student Personality of Slovakia

Support for young talents remains a long-term part of the Bank's activities. For the eighth time in 2025, it supported the Student Personality of Slovakia competition, which has long highlighted exceptional personalities in the academic environment.

The Bank's Award in the Economics category was won by Barbora Čéryová, a young researcher from the Faculty of National Economy of the University of Economics in Bratislava. In her research, she focuses on equity markets, risk and volatility, working with advanced analytical and econometric methods. She thus belongs among the prominent talents of the upcoming generation of economists.

Innovative Young Entrepreneur

Since 2018, the Bank has been the general partner of the Young Innovative Entrepreneur competition, which supports entrepreneurial courage, innovative thinking and the ability to translate ideas into functional solutions with a real impact.

In 2025, the Bank's Award was won by Lukáš Řezanina (IO/Nordics) for a strategic approach to business. The expert jury particularly appreciated his ability to grasp the complex area of managing external IT suppliers and transform it into a data-driven, scalable solution with the potential for application in the international market.

Support for tennis

The Bank has long been committed to supporting sports and talent development in Slovakia. Since 2013, it has been a stable partner of the Slovak women's and men's national tennis teams and at the same time actively participates in supporting youth teams.

Through its long-term commitment, the Bank contributes to the systematic development of Slovak tennis across generations – from youth to the national team.

Banks helping

The Bank, its shareholders and employees have long supported Nadace J&T in the Czech Republic and the Nadácia J&T in Slovakia, which have been helping families with children at risk for many years by providing financial 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.

Nadace J&T and Nadácia J&T 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. The assistance is directed primarily at vulnerable children in order to deepen comprehensive care for them, and at families with children at risk of social exclusion and poverty, the sick and disabled people. One of the Foundation's priorities is the development of foster family care.

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. In the year 2025, the Nadace J&T in the Czech Republic and Nadácia J&T in Slovakia donated to more than 800 families with children and supported over 120 organisations in the total amount of over CZK 93 million.

In 2025, the Nadace J&T continued to develop the 8000 Reasons initiative it founded, which promotes the Housing Support Act and participates, among other things, in the transformation of children's homes in the regions. The Nadace J&T 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.

The year 2025 was a period of intense work, face-to-face meetings, and hands-on assistance for the Nadácia J&T. The Nadácia J&T's financial contributions were directed both to individuals and to organisations with which it has long-standing relationships. This year also brought new partnerships and collaborations that allow it to expand its reach and respond flexibly to new challenges which include, in particular, improving the availability of social rental housing, supporting rent financing for vulnerable families with children, as well as intensive support for foster parents.

ORGANISATIONAL STRUCTURE

BOARD OF DIRECTORS OF J&T BANK

UNIT SALES CR				UNIT OPERATION CR		UNIT SR				UNIT BRANCH GERMANY	UNIT LENDING BUSINESS	UNIT FINANCIAL MARKETS	UNIT FINANCE	UNIT LEGAL	UNIT INFORMATION SYSTEMS	UNIT RISK MANAGEMENT									
Representative Office Poland	Unit Sales CR Support Department	Division Sales CR	Unit Operation CR Business Support Section	Division Operation CR	Unit SR Management Department	Division Sales SR	Division Operation SR	Division IT SR	Management Department	Lending Business Back Office Section	Division Financial Markets	Division Finance	Legal Department CR	IT Governance Department	Division Credit Risk Management	Division Risk Management									
Top Management		Bankers – senior Section	Process Management Department	Banking Operations Department CR	Digital Experience Department SR	Division Sales SR Business Support Section	The High Tatras Exposition		IT Architecture Department SR	Products & Processes Department	Lending Business Analysts Section	Financial Markets Department CR – Other Person's Account	Division Finance Business Support Section		Legal Department SR	Credit Risk Management Department	Division Risk Management Business Support Section								
Bank Management Department		Business Development Department	Project Office Department	Front Office Section	Digital Experience Department SR	Digital Channels & Digital Sales Section SR	The Košice Exposition		IT Testing Department SR	Marketing Department	Large Corporates Department	Financial Analysis Department	Credit and Loans Administration Department CR		Workout Department	Risk Management Department									
Safety Department		Digital Channels & Digital Sales Section	Business Architecture Department	Payment System Section		Private Banking Department SR	Division Operations SR Business Support Department		IT Support Department SR	Compliance/ AML/ Legal Department	SME CR Department	Financial Markets Department CR – Own Account			Asset and Liability Management Section		Financial Risk Management Section								
Security Monitoring Section		Private Banking Department CR	Logistics and Services Department	Banking Operations Back Office Department CR		Comfort Department SR	Project Management Section		Operations Department	Finance Department	SME SR Department	Liquidity Management Section			Economy Department CR		Credit and Loans Back Office Section CR	Financial Risk Management Section							
Security Governance Section		Private Banking Section 1	Reception Section	Financial Markets Back Office Department CR		Business Call Centrum Section	Product and Process Management Section										Credit and Loans Legal Support Team	Collateral Management, Middle-Office and Valuation Department							
Physical Safety and Health and Safety Section		Private Banking Section 2	Transport Section	New Issues Department CR		Comfort Line Section	Reporting and Analysis Section										Credit and Loans Administration Department SR	Non-Financial Risk Management Section							
Safety Section SR		Private Banking Section 3	Technical Building Management Department	Marketing and Communication Department SR		Banking Operation Department SR	Front Office Section										Investment Center Section	Middle Office Department	Business Analysis of Financial Markets Section	Accounting Section					
Digital Experience Department CR		Private Banking Section 4	Compliance Department	Back Office Comfort Section		Back Office PB Section															Financial Markets Back Office Department SR	Human Resources Department SR	Logistics and Services Department SR	New Issues Department SR	
Marketing Department CR		Private Banking Section 5																							Payment Cards and Internet Banking Section
Compliance Department		Private Banking Section 6																							Back Office Department SR
Compliance Section SR		Corporate Center Section																							Back Office Comfort Section
AML Department CR		Tied Agents Section																							Back Office PB Section
AML Department SR		Back Office Section																							Financial Markets Back Office Department SR
Internal Audit and Inspection Department		Premium Banking Department CR																							Human Resources Department SR
Advisors Department		Branch Brno																							Logistics and Services Department SR
Advisors Section 1		Branch Ostrava																							New Issues Department SR
Advisors Section 2		Client Center Department CR																							
Advisors Section 3		External Sale Department CR																							
Advisors Section 4		External Sale Front Office Section																							
	External Sale Support Section																								

REPORT OF THE SUPERVISORY BOARD

In 2025, 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. As at 1 December 2025, Igor Kováč was elected to the Supervisory Board by the sole shareholder. In addition, Jozef Šepetka resigned from the position of the Supervisory Board member as at 30 November 2025. 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 three (3) regular meetings of the Supervisory Board were held during 2025. 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.

In accordance with legislative requirements and based on the recommendations of the Audit Committee, the Supervisory Board reviewed the Bank's separate and consolidated financial statements as at 31 December 2025 and concludes that the accounting records and accounts were kept in a conclusive manner in accordance with accounting regulations and rules, and that the separate financial statements and consolidated financial statements give a true and fair view of the financial position of the Bank as at 31 December 2025, and of the consolidated group, respectively. The audit of the financial statements was performed by Ernst & Young s.r.o., which confirmed that, in its opinion, the financial statements give a true and fair view of the financial position of the Bank and its subsidiaries (together the "Group") as at 31 December 2025, and of its financial performance and its cash flows for the year ended 31 December 2025 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. In addition, the Supervisory Board took note of the report on related party relationships in 2025 prepared by the Bank's Board of Directors. The Supervisory Board notes that it has no objections to this report. The Supervisory Board further 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 approves the results of the separate and consolidated financial statements for the year ended 31 December 2025 along with the profit/loss allocation, i.e. the proposal for the distribution of J&T BANKA, a.s.'s profit for 2025 as proposed by the Bank's Board of Directors and recommends to the sole shareholder in the capacity of the General Meeting to approve both financial statements including the approval of the profit distribution according to the regular individual financial statements of the Bank.

CORRESPONDENT BANKS

Raiffeisen Bank International AG

Vienna, Austria

SWIFT: RZBAATWW

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.

Shenzhen, 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

Citibank N.A.

New York

SWIFT: CITIUS33

Currency: USD

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.

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 2025 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 Busi-

ness 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. Further information on the diversity policy is provided below in SI-I 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 2025 was CZK 2,458.6 million (2024: CZK 1,974.4 million), for 2025 this levy amounted to CZK 49.2 million (2024: CZK 39.5 million). The Bank did not acquire any of its own shares or equity interests during 2025.

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 informa-

tion 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 consolidated and separate financial statements are regularly submitted to the Bank's Board of Directors. The Bank's Supervisory Board has the consolidated and separate financial statements at its disposal at the Supervisory Board meetings. The internal control system in the area of financial reporting is regularly tested and evaluated by Internal Audit.

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 2025, the Bank and the Group were charged the following amount of cash by the auditor for audit and other services:

Fees for 2025 (in thousands of CZK) excluded VAT	Ernst & Young Audit, s.r.o.	Other EY network firms	Total
Statutory audit of financial statements – Bank	7,800	3,246	11,046
Other assurance and other services – Bank	9,006	-	9,006
Statutory audit of financial statements – Group, excluding the Bank	6,440	3,518	9,958
Other assurance and other services – Group, excluding the Bank	1,079	73	1,152

INFORMATION ON SECURITIES AND THE ASSOCIATED RIGHTS AND OBLIGATIONS

Details of securities representing an interest in the issuer

J&T BANKA, a.s. with its registered office at Prague 8, Sokolovská 700/113a, postcode 186 00, Czech Republic, Company ID No.: 47115 378, 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. In April 2025, the rating agency confirmed the long-term deposit rating at the Baa2 level and improved the rating outlook from stable to positive.

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 its Consolidation Unit. 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 Bank's shares are not traded on a European regulated market.

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.

Details related to the subordinated unsecured income certificates

As at 31 December 2025, the Bank recorded the following issued 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 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 30 June 2025, the Czech National Bank 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: CZ0003704413, in the total amount of CZK 1,000 million, as well as consent to the disposals of share premium for ISINs CZ0003704421 and CZ0003704249, which were redeemed in 2024. 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: CZ0003704413 were redeemed on 30 September 2025 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 6,271 million as of 31 December 2025 (2024: CZK 7,293 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.

Data on debt securities issued

As at 31 December 2025, the Bank recorded the following issued 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	XS3044417981	28/05/2025	28/05/2031	EUR	4.50 % p.a.	EUR 1,000	EUR 300 million
Subordinated bonds	CZ0003709339	04/12/2024	04/12/2034	CZK	6.25 % p.a. for the first five years	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 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.

Bonds XS3044417981 (Eurobonds) are debt securities issued under English law, admitted to trading on the Luxembourg Stock Exchange (Bourse de Luxembourg, LuxSE) in Luxembourg. The final maturity of the Eurobonds is 28 May 2031. The issuer has the option of early repayment (issuer's call option) on 28 May 2030.

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 had the option to redeem the Eurobonds early (issuer's call option) as at 26 October 2025. In 2025, the bonds were redeemed early in the volume of EUR 120 million.

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 with the designation J&T BANKA VAR/34, ISIN 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 at 6M PRIBOR + 2.75%, 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.

BODIES AND EXPERT COMMITTEES OF THE BANK

Bank bodies

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

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 authorize 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 (J&T FINANCE GROUP SE) 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.

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 8 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 seven (7) members as at 31 December 2025.

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 behavior 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, organizational 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.

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 Technol-

ogy. 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 the Bank where he is responsible for the CR Business Department, the Security Department and the CR Marketing Department.

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

Company	Company ID No.	Registered office	Position	Status
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Member	current
J&T INVESTIČNÍ SPOLEČNOST, a.s.	47672684	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T INVESTIČNÁ SPOLEČNOST, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 8, postcode 811 02, SR	Supervisory Board – Member	current
J&T IB and Capital Markets, a.s.	24766259	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
J&T Leasingová společnost, a.s.	28427980	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
J&T Mezzanine, a.s.	06605991	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
AMISTA investiční společnost, a.s.	27437558	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T RFI IV., a.s.	17843791	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T NOBLESSE OBLIGE, z.ú.	19420218	Prague 1, Malá Strana, Malostranské nábřeží 563/3, postcode 118 00	Board of Directors – Chairman	current
Spolek za lepší Dolní Radouň	23340495	Dolní Radouň 31, Jindřichův Hradec, postcode 377 01	College of the Association – Chairman	current
J&T Bank, a.o.	1027739 121651	115035 Moscow, Kadashevskaya Naberezhnaya, 26, Russian Federation	Board of Directors – Member	out of date
J&T SERVICES ČR, a.s.	28168305	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	out of date
ATLANTIK finanční trhy, a.s.	26218062	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Chairman	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: 30 November 2025

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. In 2008 he joined the Bank and took over the management of the Economic and Financial Department. Subsequently, he became the Chief Financial Officer of J&T FINANCE GROUP SE and a member of its Board of Directors. From 1 December 2025, Igor Kováč moved to the Bank's Supervisory Board.

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

Company	Company ID No.	Registered office	Position	Status
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Member	current
J&T IB and Capital Markets, a.s.	24766259	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T INVESTIČNÍ SPOLEČNOST, a.s.	47672684	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T Leasingová společnost, a.s.	28427980	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T Mezzanine, a.s.	06605991	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T RFI IV., a.s.	17843791	Prague 8 – Karlín, Sokolovská 700/113a, postcode 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	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	out of date
J&T Bank, a.o.	1027739 121651	115035 Moscow, Kadashevskaya Naberezhnaya, 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 organizational unit of J&T BANKA, a.s., a branch of the foreign bank in Bratislava. Within the Bank, she is responsible for the SR Department and the SR AML Department.

She is also active, or has been active in the last five years, in the following company:

Company	Company ID No.	Registered office	Position	Status
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 8, postcode 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 since 2010, where he first held the

position of Director of Credit Risk Management at the Bank. From 2012 to 2014, he served in the top management of Poštová banka, a.s. in Slovakia. In the period 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 the Bank 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 and the representative office in Poland.

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

Company	Company ID No.	Registered office	Position	Status
ZINO Estate s.r.o.	19817762	Prague 5, Stodůlky, K sopce 1704/I, postcode 155 00	Executive Officer	current
Honpat Invest a.s.	21720398	Prague 8, Libeň, Votčářova 2449/5, postcode 180 00	Board of Directors – Member	current
J&T banka d.d.	675539	Međimurska ulica 28, 42000 Varaždin, Croatia	Supervisory Board – Vice-Chairman	out of date
J&T Global Finance IX., s.r.o., in liquidation	51836301	Bratislava, Dvořákovo nábrežie 8, postcode 811 02, SR	Executive Officer	out of date
Equity Holding, a.s.	10005005	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Member	out of date
J&T Mezzanine, a.s.	06605991	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Member	out of date
365.bank, a.s.	31340890	Bratislava, Dvořákovo nábrežie 4, postcode 811 02, SR	Supervisory Board – Member	out of date
J&T Global Finance VII., s.r.o. v likvidaci (in liquidation)	05243441	Prague 8, Karlín, Pobřežní 297/14, postcode 186 00	Executive Officer	out of date
J&T Global Finance VIII., s.r.o. v likvidaci (in liquidation)	06062831	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	out of date
J&T Global Finance X., s.r.o., v likvidaci (in liquidation)	07402520	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	out of date
J&T Global Finance VI., s.r.o. v likvidaci (in liquidation)	50195131	Bratislava, Dvořákovo nábrežie 4, postcode 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. From 2023 onwards, his primary focus has been on the Bank as Chief Financial Officer. Within the Bank, he is responsible for the Finance, Operations CR, Compliance, AML CR departments and the branch in Germany.

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

Company	Company ID No.	Registered office	Position	Status
J&T INVESTIČNÍ SPOLEČNOST, a.s.	47672684	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 4, postcode 811 02, SR	Supervisory Board – Member	current
ATLANTIK finanční trhy, a.s.	26218062	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
AMISTA investiční společnost, a.s.	27437558	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
Nadace Nomeolvides	22345027	Prague 9, Horní Počernice, Vhumnech 2876/16, postcode 193 00	Board of Directors – Chairman	current
Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.	03451488	Prague 1, Staré Město, Hybernská 1009/24, postcode 110 00	Supervisory Board – Member	out of date
J&T NOVA Hotels SICAV, a.s.	09641173	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	out of date
JTPI CZ, a.s., v likvidaci (in liquidation)	09285164	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	out of date
J&T PROPERTY OPPORTUNITIES SICAV, a.s.	09287671	Prague 8 – Karlín, Sokolovská 700/113a, postcode 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 and liquidity management.

He is also active, or has been active in the last five years, in the following company:

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

Ing. Tomáš Hejduk

Member of the Board of Directors

Date of appointment to the Board of Directors: 28 April 2025

Term of office until: 28 April 2030

He graduated from the University of Economics in Prague, where he completed his Master's degree at the Faculty of Finance and Accounting in 2013, specializing in finance and business valu-

ation. From 2012 to 2015, he worked at KPMG Česká republika, s.r.o., where he focused on management consulting for the public and private sectors. Since 2015 he has been working at the Bank, where he has successively held the positions of credit risk analyst, director of the credit risk management department, and from 2024 director of the credit risk management division. Within the Bank, he is responsible for the Risk Management Department, the Resolution Planning agenda and the ESG agenda.

He is also active, or has been active in the last five years, in the following company:

Company	Company ID No.	Registered office	Position	Status
ATLANTIK finanční trhy, a.s.	26218062	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current

Ing. Tomáš Klimíček

Member of the Board of Directors

Date of appointment to the Board of Directors: 1 June 2025

Term of office until: 1 June 2030

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 the Bank, since 2012 as Director of the Credit Risk Management Department. Within the Bank, he is responsible for the Legal Department, the HR Department, the Information Systems Department and the Digital Experience CR Department.

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

Company	Company ID No.	Registered office	Position	Status
J&T Leasingová společnost, a.s.	28427980	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	out of date
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	53859111	Bratislava, Dvořákovo nábrežie 8, postcode 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

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 Directors' 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 Directors' 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 nationalization 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 privatization of Investiční a rozvojová banka, a.s., he established himself in the JTFG Group as President of the JTFG and Chairman of the Board of Directors of J&T FINANCE GROUP SE.

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

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

Company	Company ID No.	Registered office	Position	Status
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Vice-Chairman	current
J&T CAPITAL PARTNERS, a.s.	10942092	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
J&T EQUITY PARTNERS, a.s.	17201373	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
EP Power Europe, a.s.	27858685	Prague 1, Josefov, Pařížská 130/26, 110 00	Supervisory Board – Member	current
KOLIBA REAL, s. r. o.	35725745	Bratislava, Dvořákovo nábřeží 8, 811 02, SR	Board of Directors – Chairman	current
J & T Securities, s.r.o. v likvidácii (in liquidation)	31366431	Bratislava, Dvořákovo nábřeží 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 JTFC. He was a member of the Board of Directors of the Bank, 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 last five years, in the following companies:

Company	Company ID No.	Registered office	Position	Status
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Vice-Chairman	current
J&T Sport Team ČR, s.r.o.	24215163	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
AC Sparta Praha fotbal, a.s.	46356801	Prague 7, Tř. Milady Horákové 1066/98, postcode 170 00	Supervisory Board – Chairman	current
I. Český Lawn – Tennis Klub Praha	45243077	Prague 7 – Holešovice, Ostrov Štvanice 38, postcode 170 00	Member of the Executive Committee	current
Nadace J&T	27162524	Prague 1, Malá Strana, Malostranské nábřeží 563/3, postcode 118 00	Board of Directors – Member	current

Karlín development II. s.r.o.	28161980	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
J&T REAL ESTATE CZ, a.s.	28255534	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Chairman	current
GLOBDATA a.s.	5642361	Prague 1 – Staré Město, Na Příkopě 393/11, postcode 110 00	Supervisory Board – Member	current
Doblecon a.s.	7015381	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
Česká rugbyová unie, z.s.	540706	Prague 6 – Břevnov, U Vojtěšky 11, postcode 162 00	Executive Committee – President	current
RAILSCANNER, s.r.o.	7842511	Prague 2, Vinohrady, Italská 2581/67, 120 00	Supervisory Board – Chairman	current
JTZE a.s.	8839662	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Chairman	current
Menmar s.r.o.	13976257	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
Alvadose s.r.o.	11773189	Prague 3, Bořivojova 885/50, Žižkov, postcode 130 00	Executive Officer	current
MeasureTake s.r.o.	7209533	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
J & T REAL ESTATE ENGINEERING s.r.o.	14319535	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
Agro – společnost MORAVA s.r.o.	47676159	Kojetín – Kojetín I-Město, Komenského náměstí 1052, 752 01	Executive Officer	current
J&T REAL ESTATE SMART SOLUTIONS a.s.	1942603	Prague 8 – Karlín, Sokolovská 700/113a, postcode 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, postcode 742 01	Executive Officer	current
Žďár Chudenice s.r.o.	49789775	Klatovy, Sobětky 75, postcode 339 01	Executive Officer	current
STATEK SOBĚTKY s.r.o.	46886087	Klatovy, Sobětky 75, postcode 339 01	Executive Officer	current
EUROFARMS AGRO-B s.r.o.	60066377	Kardašova Řečice, Palackého 740, postcode 378 21	Executive Officer	current
Farma Neznašovy s.r.o.	25242041	Klatovy, Sobětky 75, postcode 339 01	Executive Officer	current
ROLANA s.r.o.	26961962	Černilov, Újezd 60, postcode 503 03	Executive Officer	current
POTATO s.r.o.	26969670	Jihlava – Heroltice 65, postcode 586 01	Executive Officer	current
Agro Odersko, a.s.	25366726	Odry, tř. Osvobození 25, postcode 742 35	Board of Directors – Member	current
Farma Blovice s.r.o.	47719672	Blovice, Luční 812, postcode 336 01	Executive Officer	current
AGROSALES s.r.o.	27777944	Suchdol nad Odrou, Komenského 211, postcode 742 01	Executive Officer	current
POLINE s.r.o.	62958500	Nebovidy no. 73, postcode 280 02	Executive Officer	current
EUROFARMS JIHLAVA s.r.o.	25252895	Jihlava, Heroltice 65, postcode 586 01	Executive Officer	current
JTZE Sobětky s.r.o.	9001271	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
JTZE Horní Moštěnice s.r.o.	9001255	Horní Moštěnice, Revoluční 130/30, postcode 751 17	Executive Officer	current
JTZ global a.s.	9030310	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Member	current
Blumenaugen s.r.o.	11774169	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
Ekofarma Čachrov s.r.o.	11935332	Klatovy, Sobětky 75, postcode 339 01	Executive Officer	current
BB global a.s.	21678693	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Board of Directors – Chairman	current
Rohan D one, s.r.o.	17490421	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
Rohan D three, s.r.o.	19396121	Prague 8, Karlín, U Sluncové 666/12a, postcode 186 00	Executive Officer	current
Rohan D four, s.r.o.	19396007	Prague 8, Karlín, U Sluncové 666/12a, postcode 186 00	Executive Officer	current
ZE Nitra s.r.o.	17711304	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	current
Ekofarma Neurazy s.r.o.	17893194	Blovice, Luční 812, postcode 336 01	Executive Officer	current
Radar s.r.o.	31436846	Zbehy, Poľnofarma 479, postcode 951 42, SR	Executive Officer	current
GREEN POINT, spol. s r.o.	36551678	Farná 1545, postcode 935 66, SR	Executive Officer	current
JTZE Slovensko s.r.o.	47852291	Farná 1545, postcode 935 66, SR	Executive Officer	current
Poľnohospodárske družstvo Podhorany	614041	Podhorany 220, postcode 951 46, SR	Board of Directors – Member	current
BigBoard Praha, a.s.	24226491	Prague 4, Na strži 2097/63, Krč, postcode 140 00	Supervisory Board – Member	current
BIOFARMS AGRO-B s.r.o.	19250096	Kardašova Řečice, Palackého 740, postcode 378 21	Executive Officer	current
JV Bubny s.r.o.	11773430	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Executive Officer	out of date
MS Trnitá 3 a.s.	5783216	Brno, Černá Pole, třída Kpt. Jaroše 1922/3, postcode 602 00	Supervisory Board – Member	out of date
Invictus development s.r.o.	7295049	Prague 4, Chodov, Stýblová 2352/30a, postcode 149 00	Supervisory Board – Chairman	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: 30 November 2025

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 the Bank in 1998 as a consultant.

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

Company	Company ID No.	Registered office	Position	Status
Nadace pro rozvoj České filharmonie	19584024	Prague 1, Staré Město, Alšovo nábřeží 79/12, postcode 110 00	Board of Directors – Member	current
Nadační fond Smetanova NOVÝ sál	22170260	Litomyšl, Záhradní, Jiráskova 133, postcode 570 01	Board of Directors – Member, founder	current
Společenství V Podbabě 2738, Prague 6	01507672	Prague 6, Dejvice, V Podbabě 2738/12, 160 00	Committee – member	current
Společenství vlastníků v domě Žitkova 708	27426955	Prague 6 – Dejvice, Žitkova 5/708, postcode 160 00	Committee – Vice-Chairman	current
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current

Jitka Šustová

Member of the Supervisory Board elected by the employees

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 been active in any other companies in the past five years.

JUDr. Jaroslava Sragner

Member of the Supervisory Board elected by the employees

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 the Bank, 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 been active in any other companies in the past five years.

Ing. Jozef Kollár, Ph.D.

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 Uni-

versity and then at Yokohama University in Japan. He has worked in the banking sector since 1990, serving as a department director at the State Bank of Czechoslovakia, later becoming 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 last five years, in the following company:

Company	Company ID No.	Registered office	Position	Status
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current

Marc Jean Jules 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 Har-

vard 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 last five years, in the following companies:

Company	Company ID No.	Registered office	Position	Status
J&T FINANCE GROUP SE	27592502	Prague 8 – Karlín, Sokolovská 700/113a, postcode 186 00	Supervisory Board – Member	current
MMN s.r.o. v likvidaci (in liquidation)	55706908	Bratislava, Keltská 805/102, postcode 851 10, SR	Executive Officer, Liquidator	current

Ing. Radoslav Míšek, Ph.D.

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 last five years, in the following company:

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

Ing. Igor Kováč

Member of the Supervisory Board

Date of appointment to the Supervisory Board: 1 December 2025

Term of office until: 1 December 2030

Igor Kováč's activities are detailed in the Board of Directors section.

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, dis-

cusses 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 2025, 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, none of the members of the Bank's management have been active in the statutory or supervisory bodies of companies that have been declared bankrupt.

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 2025, the composition of ALCO was as follows:

Name	Position of the member
Kubeš Michal, Ing.	Chairman of the ALCO, Member of the Board of Directors
Ašer Štěpán, MBA	Member of the ALCO, Member of the Board of Directors
Hejduk Tomáš, Ing.	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

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 se-

curity 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 2025, 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
Hejduk Tomáš, 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
Staník Damián, Ing.	Member of the IC, Director of the Economic Department
Vodička Petr, Ing.	Member of the IC, Member of the Board of Directors

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 CC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2025, the composition of CC was as follows:

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

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 PC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2025, the composition of the PC was as follows:

Name	Position of the member
Rokos Ladislav	Chairman of the PC, Director of Operations CR
Hejduk Tomáš, Ing.	Member of the PC, Member of the Board of Directors
Klimíček Tomáš, 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
Macaláková Anna, Ing.	Member of the PC, Member of the Board of Directors
Staník Damián, Ing.	Member of the PC, Director of the Economic Department
Tkáčová Alena, Ing.	Member of the PC, Director of the Trade Department CR
Vinš Petr, Bc.	Member of the PC, Director of the Security Department
Vodička Petr, Ing.	Member of the PC, Member of the Board of Directors

The PC shall normally meet once a month 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 program 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 behavior 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 organizational 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 organizational 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 2025, the composition of the EC CR was as follows:

Name	Position of the member
Klimíček Tomáš, Ing.	Chairman of the EC CR, Member of the Board of Directors
Hejduk Tomáš, Ing.	Member of the EC CR, Member of the Board of Directors
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 Trade Department CR
Vinš Petr, Bc.	Member of the EC CR, Director of the Security 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 Di-

vision, 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 2025, the composition of the TC CR was as follows:

Name	Position of the member
Tkáčová Alena, Ing.	Chairman of the TC CR, Director of the Czech Trade Department
Kučera Jiří, Mgr., MBA	Member of the TC CR, Director of the Premium Banking Department CR
Pavlík Jan, Ing.	Member of the TC CR, Director of the Financial Markets Department CR foreign account
Plášil Václav, Ing.	Member of the TC CR, Director of the SME Department
Rampula Tomáš, Ing.	Member of the TC CR, Director of the External Sales Department
Svoboda Vratislav, Ing., MBA	Member of the TC CR, Director of the Private Banking Department CR
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 SC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2025, the composition of the SC was as follows:

Name	Position of the member
Vinš Petr, Bc.	Chairman of SC, Director of Security
Broschinski Petr	Member of the SC, cyber security architect
Gajdoš Jan, Ing.	Member of the SC, physical security manager
Hejduk Tomáš, Ing.	Member of the SC, Member of the Board of Directors
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
Kadlecová Tereza, Mgr.	Member of the SC, Group Data Protection Officer
Kottink Pavel, Ing.	Member of the SC, Director of Information Systems
Kučera Marek, Mgr.	Member of the SC, Data Protection Officer
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

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 2025, 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
Kottink Pavel, Ing.	Member of the ORLC, Director of Information Systems
Macálka Vladimír, Mgr.	Member of the ORLC, Director of Compliance
Mikoš Marek, Ing.	Member of the ORLC, Internal auditor
Míšek Radoslav, Ing., Ph.D.	Member of the ORLC, Director of Risk Management
Pavlík Jan, Ing.	Member of the ORLC, Director of the Financial Markets Department of the Czech Republic Foreign Account
Růžicka Jan, Ing.	Member of the ORLC, advisor
Rychová Petra, Ing.	Member of the ORLC, Director of Support CR
Sležka Milan, Ing.	Member of the ORLC, Director of the Operations Division CR
Slobodník Michal, Mgr.	Member of the ORLC, Director of Technical Building Management
Šurínová Veronika, Ing.	Member of the ORLC, Compliance and GDPR Specialist (SR branch of the Bank)
Šustová Jitka	Member of the ORLC, Director of the Economic Department CR
Tomeš Libor, Ing.	Member of the ORLC, Director of Business Architecture
Tóth Petr, Ing.	Member of the ORLC, Head of Non-Financial Risk Management
Vinš Petr, Bc.	Member of the ORLC, Director of Security

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 minimize 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 IIC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2025, the composition of IIC was as follows:

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

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 authorized 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" or "EC 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 behavior 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 organizational 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 2025, 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
Belejík Marián	Member of the EC SR, Director of the Business Support Department of the Operations Division SR
Čederlová Monika, Mgr.	Member of the EC SR, Director of the Comfort Department SR
Janík Tomáš, Ing.	Member of the EC SR, Director of the Operations Division SR
Morávek Martin, Ing.	Member of the EC SR, senior business consultant SR
Segeč Ondrej, Ing.	Member of the EC SR, Director of the Private Banking Department SR
Sragner Jaroslava, JUDr.	Member of the EC SR, Member of the statutory body
Tereková Mária, Ing.	Member of the EC SR, Director of the Eco- nomic Department of the Slovak Republic
Vinš Petr, Bc.	Member of the EC SR, Director of the Security Department

The 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 EC 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 2025, 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
Belejík Marián	Member of the TC SR, Director of the Business Support Department of the Operations Division SR
Čederlová Monika, Mgr.	Member of the TC SR, Director of the SR Comfort Department
Janík Tomáš, Ing.	Member of the TC SR, Director of Operations SR
Segeč Ondrej, Ing.	Member of the TC SR, Director of the SR Private Banking Department

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 2025, the composition of RC 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
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
Závitkovský Pavel	Member of the RC, external collaborator

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 RRC are appointed and removed by the Bank's Board of Directors.

As of 31 December 2025, the composition of RRC was as follows:

Name	Position of the member
Míšek Radoslav, Ing., Ph.D.	Chairman of the RRC, Director of Risk Management
Husár Marian, Mgr. Ing. M. Jur. LL. M.	Member of the RRC, Director of the Legal Section
Macálka Vladimír, Mgr.	Member of the RRC, Director of Compliance
Mikoš Marek, Ing.	Member of the RRC, Internal auditor
Šedivý Libor, Ing.	Member of the RRC, Director of the CIO Office
Tomeš Libor, Ing.	Member of the RRC, Director of Business Architecture
Večerek Jan, Ing.	Member of the RRC, Head of Business Support Department, Financial Division

The RRC normally meets once a month 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 2025, 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, Member of the Board of Directors
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.

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 of 25 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). For each 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 annual 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 labor law. Cases of employees who are incentivized 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. The corporate objectives represent risk factors (weighted at 35 %) and goals in the area of Performance (weighted at 65 %). Corporate objectives are weighted for individual employees to determine the amount of total variable remuneration between 25 % and 70 % depending on their functional and organizational 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 behaviors. 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,
- 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 2025, 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 % 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 2025 totaled CZK 214.6 million (2024: CZK 170.1 million, which was divided among 13 persons (2024: 13), members of the Board of Directors and executives and 9 persons (2024: 9) on the Supervisory Board. For 2025, the members of the Board of Directors received a salary remuneration of CZK 143.9 million and CZK 2.3 million

(2024: CZK 93.9 million and CZK 1.9 million) from the parent company by virtue of the performance of their duties. Members of the Supervisory Board received a salary remuneration of CZK 15 million (2024: CZK 11.3 million). The other persons with management authority received cash income from the parent company from salary bonuses amounting to CZK 52.7 million (2024: CZK 62.4 million). The members of the Supervisory Board also received remuneration of CZK 0.7 million in respect of the performance of their duties (2024: CZK 0.6 million). For the year ended 31 December 2025, 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 2025, in two cases a 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.

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 2025 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.

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.

SIGNIFICANT CONTRACTS

The Bank's significant transactions in 2025 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 characterized 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.

Works by Veronika Holcová
were featured in the J&T Banka
Art Index Pop-up 2025 exhibition.



A work by Vladimír Houdek
was featured in the J&T Banka
Art Index Pop-up 2025 exhibition.



6.51
billion CZK

NET PROFIT AFTER TAX
ON A CONSOLIDATED BASIS



A work by Matyáš Chochola
was featured in the J&T Banka
Art Index Pop-up 2025 exhibition.

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 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 2025, 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 Bank further applies the ESRS quick fix, i.e. Commission Delegated Regulation (EU) 2025/1416 of 11 July 2025 amending Delegated Regulation (EU) 2023/2772 as regards the postponement of the date of application of the disclosure requirements for certain undertakings, and applies use the postponement for the E4 and S4 areas in this sustainability report.

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 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 over the short-term, medium-term and long-term. 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 GHG calculation methodology. More detailed information on the estimates is provided under the disclosure requirements for the calculation of GHG emissions by GHG 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 was 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 information provided is not complete and this report statement may contain 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 several factors, including unpredictable market developments, regulatory or technological changes, operational risks, geopolitical events (transition risks), and natural disasters (physical risks). Given these uncertainties, the projections presented should be viewed with caution.

Changes in preparation or presentation of sustainability information

Compared to the previous reporting period, there have been changes in the preparation of sustainability information. In the area of calculating the carbon footprint of the financed portfolio, the Group became a member of the international Partnership for Carbon Accounting Financials (PCAF) and uses its emission factors, which may result in different calculation results compared to the previous period (see chapter EI-6). As regards the EU Taxonomy, a simplified methodology is newly applied, which may lead to differences in comparative information compared to past reporting; for this reason, the comparative information may not be fully comparable.

Information arising from other regulations

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 consists of nine non-executive members and oversees the performance of the Board of Directors and the Bank's activities. Two of the members of the Supervisory Board are considered independent (22% of the total number of members). The personnel composition of the Board of Directors and the Supervisory Board is provided in the Bank Management section in the presentation part of the consolidated annual financial report.

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 considered 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, Croatia and Poland). 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 expertise in financial operations and relevant knowledge of the topic of sustainability.

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.

Board of Directors diversity

The ratio of women to the total number of Board of Directors members is 14.3%.

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 ESG 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. The Board of Directors is responsible for implementing the ESG 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 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 the ESG strategy and ensures it aligns with the institution's long-term objectives and stakeholder expectations. The Committee, which consists of representatives with a wide range of expertise (e.g., a member of the Board of Directors, a representative of compliance, human resources management and risk management), 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 targets 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 in the area of ethical conduct, in particular the prevention of corruption and the protection of whistleblowers, through standard banking processes and control mechanisms, regulatory policies and training. Employees are responsible for ensuring that the internal rules and procedures they administer are in line with the strategy and policies set by the Board of Directors as well as with applicable legislation. Draft internal regulations or amendments thereto are approved by the Board of Directors.

A key role in setting up Group processes for ethical compliance, whistleblower protection, conflict of interest management and anti-corruption and anti-bribery policies is played by the Compliance departments of the individual companies within the Group.

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 people holding key functions.

Specific procedures in the Bank 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 people holding key functions in selected companies within the consolidation group.

The suitability of 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 through previous practice are considered. Good reputation is crucial for members of administrative, management and supervisory bodies, which is 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 people 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 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 with information as follows:

- Information is provided to the Supervisory Board upon request, either for approval or for information. This information generally relates to data on strategic matters from an ESG perspective. The information provided may be based on impacts, risks and opportunities ("IRO"), ESG strategy or related issues and, in the future, progress in performance towards targets.
- Reports based on topics and needs are presented to the Board of Directors at least quarterly for discussion and approval. The information provided may be based on IRO, ESG strategy or related issues and, in the future, progress towards targets. 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 IRO as needed. Information is thus shared within the ESG Committee and communicated to all committee members. The results and effectiveness of the set policies, measures, metrics and targets were evaluated at the end of 2025.

- 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 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. 74–75	Governance (ESRS 2)
	SBM-3, p. 77–80	
Engaging with affected stakeholders in all key steps of the due diligence	SBM-2, p. 75–77	Environment Social Governance
	SBM-2 to SI, p. 77	
	SBM-2 to S4, p. 77	
	GI-1 – GI-4, p. 117–121	
Identifying and assessing adverse impacts	SBM-3, p. 77–80	Environment Social Governance
	IRO-1, p. 80–88	
	SBM-3 to EI, p. 105–106	
	SBM-3 to SI, p. 111	
	SBM-3 to S4, p. 79	
Taking actions to address those adverse impacts	GI-1 – GI-4, p. 117–121	Environment Social Governance
	EI-3, p. 106	
	SI-4, p. 113	
Tracking the effectiveness of these efforts and communicating	EI-4, p. 106	Environment Social Governance
	SI-5, p. 113	
	GI-1 – GI-4, p. 117–121	

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

Scope and characteristics of the risk management process

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 Department, 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

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.

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

Integration of risk findings into 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 employing a Czech universal banking license, the Group provides corporate and investment banking, private banking and asset management services primarily to Czech, Slovak, German, Croatian and Polish clients. The Group strategically focuses on clients and services requiring a highly tailored approach, 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 an emphasis on flexibility and speed of execution. The Group, as a well-established player 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.

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 an 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 financing) 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 Bloom-

berg) 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, Slovakia and Germany; it is strengthening its position in Poland, where it has opened a representative office. 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	Head count as at 31/12/2025
Czech Republic	700	745
Slovak Republic	247	224
Croatia	55	55
Germany	11	12
Total	1,013	1,036

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.

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.

Elements of the undertaking's strategy that relate to or impact sustainability matters, including the main challenges ahead, critical solutions or projects

Many companies will have to switch to a low-carbon business model whereas numerous clients operate in sectors susceptible to transition risks arising from the shift to a low-carbon economy. 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	Form and extent of engagement	Dialogue purpose and output
	Frequency		
Supervisory Board	Yes As required, at least once a year	Discussion	Information and approval process
Management	Yes	Meetings and discussions, reviews of information as specified in ESRG 2 GOV	Providing information, obtaining approvals, ensuring alignment with strategic direction
	Quarterly		
Employees	Yes	Questionnaire and satisfaction survey, meetings	Gathering information on employee concerns and needs
	Quarterly		
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	Meetings, reporting as required and other forms of communication	Understanding new regulations that may affect the Group
	Often on key topics (regulatory changes, CNB requirements, etc.)		
Competing banks	Yes	CSRD working group of the commission on sustainable finance	Approach of other banks to CSRD
	Quarterly		

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. 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 are 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. Where relevant, the interests of stakeholders are considered in the formulation of policies; the policies are accessible to employees on the intranet.

SBM-2 to S1: Interests and views of 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 to enable new employees to adapt to the new environment as quickly as possible; therefore, regular feedback is gathered from new employees after 3 and 6 months.

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. As part of client communication, structured feedback takes place, where the client can express their interests and views.

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

Based on an updated double materiality assessment and complementary analysis of individual exposures, the areas S2 – Value

chain workers and S3 – Affected communities were excluded from the scope of material topics, as they did not meet the materiality criteria. Other material IROs remained unchanged compared to the previous period. The reassessment reflects the refinement of available information and a better understanding of the nature of the Group's business model and value chain.

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 in 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;
- GHG emissions of the category 15 Scope 3 are related to the Group's lending and investment activities, which form a key pillar of its strategy and business model; and
- Other 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 (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	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
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			
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.	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.
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.	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.
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.	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.
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.	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.
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.	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.

Material opportunities in Environment (E)

Name	Description	Time horizon	Own operations vs. value chain
EI 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
EI Sustainable financing	Opportunity related to providing financing to help companies fund their transition to a low-carbon economy.	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 reported in S4 are both positive and negative impacts arising from relationships with clients, which are a key part 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
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
GI 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
GI 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
GI 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
GI 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
GI 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 EI.

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- (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);
- Cybersecurity.

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

ESRS1 and implementation documents from EFRAG (IG1: DMA and IG2: 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 portfolio was 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 weight, scope, and likelihood. The severity of negative impacts is derived from their weight, scope, and irreversibility.

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:

- weight of the impact (what is the nature of the impact and how severe the impact is);
- scope of the impact (how widespread it is);
- irreversibility 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, Poland, and Croatia. The Group recognizes 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 was available, or a qualitative approach and expert judgments of competent managers within the Group were used when data was 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 standardized approach was used as a basis, with specific standardized 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 discusses and manages 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 risks 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 updated in 2025. The process of identifying, assessing and managing opportunities is integrated into the Group's management processes through the ESG Committee.

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 was 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 were 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 were 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.

Impacts of loans and investments

As part of the double materiality assessment, 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:

- 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.

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 taken into account.

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-, medium-, 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-, medium-, 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 analysis; 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 Zu-

rich. 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.

NGFS scenarios	NGFS scenarios for climate scenarios in accordance with the requirements of ESRS 2 IRO-1, as set out in ESRS EI, and with the relevant application requirements.
	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.
Time horizons	The assessed climate-related physical risks are those listed in the table in ESRS EI 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 EI.
	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 EI).
	These time horizons will also serve as input for setting the Group's emission reduction targets once work on the transition plan begins.

Critical assumptions	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.
Expected financial impacts of significant physical and transition risks	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.
	The expected financial impacts of physical and transition risks on loans and investments in monetary terms were assessed qualitatively. Current findings suggest the following:
	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.
Mitigation measures and resources	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.
	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 assessment, 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 assessment, 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 assessment, 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 assessment, 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 (EN)	Reference
BP-1	General basis for preparation of the sustainability statements	p. 69
BP-2	Disclosures in relation to specific circumstances	p. 69–70
GOV-1	The role of the administrative, management and supervisory bodies	p. 70–72
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	p. 72
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 72
GOV-4	Statement on sustainability due diligence	p. 72
GOV-5	Risk management and internal controls over sustainability reporting	p. 73
SBM-1	Market position, strategy, business model(s) and value chain	p. 74–75
SBM-2	Interests and views of stakeholders	p. 75–77
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	p. 77–80, 105–106, 111
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 80–88
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	p. 88–92
EI-1	Transition plan for climate change mitigation	p. 105
EI-2	Policies related to climate change mitigation and adaptation	p. 106
EI-3	Action plans and resources in relation to climate change policies and targets	p. 106
EI-4	GHG emission reduction targets	p. 106
EI-5	Energy consumption	immaterial
EI-6	Gross Scopes 1, 2, 3 and Total GHG emissions	p. 106–110
ES-1	Policies related to resource use and circular economy	p. 110
ES-2	Actions and resources related to resource use and circular economy	p. 110
ES-3	Targets related to resource use and circular economy	p. 110

SI-1	Policies related to own workforce	p. 111–112
SI-2	Processes for engaging with own workers and workers' representatives about impacts	p. 112
SI-3	Processes to remediate negative impacts and challenges for own workers to raise concerns	p. 112–113
SI-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. 113
SI-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 113
SI-6	Characteristics of the undertaking's employees	p. 114–115
SI-9	Diversity metrics	p. 115
SI-16	Compensation metrics (pay gap and total compensation)	p. 115–116
SI-17	Incidents, complaints and severe human rights impacts	p. 116
S2-1	Policies related to value chain workers	immaterial
S2-2	Processes for engaging with value chain workers about impacts	immaterial
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	immaterial
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	immaterial
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	immaterial
S3-1	Policies related to affected communities	immaterial
S3-2	Processes for engaging with affected communities about impacts	immaterial
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	immaterial
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	immaterial
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	immaterial
S4-1	Policies related to consumers and end-users	deferred
S4-2	Processes for engaging with consumers and end-users about impacts	deferred
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	deferred
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	deferred
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	deferred
GI-1	Business conduct policies and corporate culture	p. 117–119
GI-3	Prevention and detection of corruption/bribery	p. 119–121
GI-4	Confirmed incidents of corruption or bribery	p. 121
GI	Cybersecurity	p. 121–123

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 reference ¹	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, Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 ⁵ , Annex II		p. 70
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 €			Delegated Regulation (EU) 2020/1816, Annex II		p. 70
ESRS 2 GOV-4 Statement on due diligence (paragraph 30)	Indicator number 10, Table #3 of Annex 1				p. 72
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. 75
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. 75
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. 75
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		p. 75
ESRS EI-1 Transition plan to reach climate neutrality by 2050 (paragraph 14)				Regulation (EU) 2021/1119, Article 2(1)	p. 105
ESRS EI-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. 105
ESRS EI-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. 106

- 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).

ESRS EI-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			immaterial
ESRS EI-5 Energy consumption and mix (paragraph 37)	Indicator number 5, Table #1 of Annex 1			immaterial
ESRS EI-5 Energy intensity associated with activities in high climate impact sectors (paragraphs 40 to 43)	Indicator number 6, Table #1 of Annex 1			immaterial
ESRS EI-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. 109
ESRS EI-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. 110
ESRS EI-7 GHG removals and carbon credits (paragraph 56)			Regulation (EU) 2021/1119, Article 2(1)	immaterial
ESRS EI-9 Exposure of the benchmark portfolio to climate-related physical risks (paragraph 66)			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	deferred
ESRS EI-9 Disaggregation of monetary amounts by acute and chronic physical risk (paragraph 66 (a))		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 EI-9 Location of significant assets at material physical risk paragraph 66 (c).				
ESRS EI-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 collateralized by immovable property – Energy efficiency of the collateral		deferred
ESRS EI-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 I		immaterial
ESRS 2 – SBM 3 – E4 paragraph 16 (c)	Indicator number 14, Table #2 of Annex I		immaterial
ESRS E4-2 Sustainable land / agriculture practices or policies (paragraph 24 (b))	Indicator number 11, Table #2 of Annex I		deferred
ESRS E4-2 Sustainable oceans / seas practices or policies (paragraph 24 (c))	Indicator number 12, Table #2 of Annex I		deferred
ESRS E4-2 Policies to address deforestation (paragraph 24 (d))	Indicator number 15, Table #2 of Annex I		deferred
ESRS E5-5 Non-recycled waste (paragraph 37 (d))	Indicator number 13, Table #2 of Annex I		immaterial
ESRS E5-5 Hazardous waste and radioactive waste (paragraph 39)	Indicator number 9, Table #1 of Annex I		immaterial
ESRS 2 – SBM3 – S1 Risk of incidents of forced labor (paragraph 14 (f))	Indicator number 13, Table #3 of Annex I		p. 111
ESRS 2 – SBM3 – S1 Risk of incidents of child labor (paragraph 14 (g))	Indicator number 12, Table #3 of Annex I		p. 111
ESRS S1-1 Human rights policy commitments (paragraph 20)	Indicator number 9, Table #3 and Indicator number 11, Table #1 of Annex I		p. 111
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8 (paragraph 21)		Delegated Regulation (EU) 2020/1816, Annex II	p. 111
ESRS S1-1 Processes and measures for preventing trafficking in human beings (paragraph 22)	Indicator number 11, Table #3 of Annex I		p. 111
ESRS S1-1 Workplace accident prevention policy or management system (paragraph 23)	Indicator number 1, Table #3 of Annex I		immaterial
ESRS S1-3 Grievance/complaints handling mechanisms (paragraph 32 (c))	Indicator number 5, Table #3 of Annex I		p. 112
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. 116
ESRS S1-16 Excessive CEO pay ratio (paragraph 97 (b))	Indicator number 8, Table #3 of Annex I		p. 116
ESRS S1-17 Incidents of discrimination (paragraph 103 (a))	Indicator number 7, Table #3 of Annex I		p. 116
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. 116
ESRS 2 – SBM3 – S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicators number 12 and number 13, Table #3 of Annex I		p. 116
ESRS S2-1 Human rights policy commitments (paragraph 17)	Indicator number 9, Table #3 and Indicator number 11, Table #1 of Annex I		immaterial
ESRS S2-1 Policies related to value chain workers (paragraph 18)	Indicator number 11 and number 4, Table #3 of Annex I		immaterial
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 I	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	immaterial

ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8 (paragraph 19)		Delegated Regulation (EU) 2020/1816, Annex II	immaterial
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		immaterial
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		immaterial
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)	immaterial
ESRS S3-4 Human rights issues and incidents (paragraph 36)	Indicator number 14, Table #3 of Annex 1		immaterial
ESRS S4-1 Policies related to consumers and end-users (paragraph 16)	Indicator number 9, Table #3 and Indicator number 11, Table #1 of Annex 1		deferred
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)	deferred
ESRS S4-4 Human rights issues and incidents (paragraph 35)	Indicator number 14, Table #3 of Annex 1		deferred
ESRS GI-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15, Table #3 of Annex 1		p. 117
ESRS GI-1 Protection of whistle-blowers (paragraph 10 (d))	Indicator number 6, Table #3 of Annex 1		p. 117
ESRS GI-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. 121
ESRS GI-4 Standards of anti-corruption and anti-bribery (paragraph 24 (b))	Indicator number 16, Table #3 of Annex 1		p. 121

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 ESRS1 section 3.2 "Material matters and materiality of information", has been described above in ESRS2 IRO-1.

ENVIRONMENTAL INFORMATION

INFORMATION PURSUANT TO ARTICLE 8 OF EU REGULATION 2020/852

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. This includes, for example, EU Regulation 2021/2178 as amended by EU Regulation 2026/73, based on which the scope of reported information was reduced and simplified.

Basis of preparation for the published information

The disclosed information relates to financial and non-financial undertakings included in the Bank's 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.

In 2024, financial undertakings were assessed only from the Bank's prudential consolidation unit and non-financial undertakings from the Bank's accounting consolidation. In 2025, the scope of assessment for financial undertakings was expanded to the entire accounting consolidation of the Bank. However, this change did not affect the composition of the consolidated financial undertakings included in the assessment.

The following entities 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 branches⁸
- J&T banka d.d.

Within the Group, the following entities 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 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 entities⁹:

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

The following entities 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.

In 2025, alignment with the taxonomy was assessed for both financial and non-financial undertakings against all environmental objectives¹⁰, i.e. climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. The 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 taxonomy¹¹) in the case of exposures with unknown use of the funds provided.

Eligibility and alignment of activities with the taxonomy – Credit Institutions

Summary information on KPIs for Credit Institutions is provided in Annex EUTAX, Table EUTAX1.

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 covered assets included in 2025 was CZK 15.76 billion (i.e. 5.65% of the total balance of the Credit Institutions' assets).

8) J&T BANKA, a.s. pobočka Bratislava and J&T BANKA, a.s., Zweigniederlassung Deutschland

9) J&T ORBIT SICAV, a.s. also falls under the management of AMISTA investiční společnost, a.s. (i.e., it is the manager) and J&T INVESTIČNÍ SPOLEČNOST, a.s. includes J&T World Private Capital OPF and J&T VENTURES I otevřený podílový fond (formerly J&T VENTURES I uzavřený podílový fond), i.e., these entities are not separately included in the calculations.

10) In 2024, alignment with the taxonomy was assessed for both financial and non-financial undertakings against two environmental objectives (climate change mitigation and climate change adaptation). An exception for financial undertakings was the situation where, in a calculation based on counterparties' KPIs, information on the alignment of their activities with the taxonomy was already available for the remaining four objectives.

11) 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.

Included in the GAR numerator are loans and other receivables, debt securities, equity instruments and foreclosed commercial and residential real estate collateral against specified counterparties¹². Newly in 2025, exposures included on a voluntary basis are also included in the numerator¹³.

The GAR as at 31 December 2025 was 0% when calculated based on the counterparty KPI for turnover and 0% when calculated based on the counterparty KPI for CapEx (stock GAR; see Annex EUTAX, Tables EUTAX 8 and EUTAX 9)¹⁴.

The low value of taxonomy-aligned assets for both turnover and CapEx is related to the fact that a relatively large number of 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 to entities for which it was conservatively decided, due to lack of data, to classify them as exposures not in alignment with the taxonomy (or ineligible for the taxonomy). A large part of the assets that were designated as eligible for the EU Taxonomy are exposures with known use of proceeds¹⁵. For these exposures, however, alignment with the EU taxonomy was not demonstrated due to incomplete/missing data for the assessment of the requirements of the technical screening criteria. A 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). Exposures to SPVs were assessed in terms of their sustainability in cases where the financing involved a counterparty that had a reporting obligation under Article 19a/29a of Directive 2013/34/EU (or is part of a reporting group). In other cases, this type of exposure was included neither in the numerator nor in the denominator of the indicators¹⁶.

Tables EUTAX 6 and EUTAX 7 in Annex EUTAX specify the composition of assets vis-à-vis non-financial and financial undertakings

subject to the reporting requirements of Article 19a/29a of Directive 2013/34/EU, which are taxonomy-eligible/-aligned in terms of the economic activity (NACE) to which they relate.

All taxonomy-eligible / -aligned exposures were based on available counterparty activity data for 2024 or 2023 (data for 2025 were not available).

Compared to 2024, there was also a change in regulatory requirements regarding the GAR calculation methodology. A fundamental change in the methodology is in the calculation of the GAR denominator; in 2025, exposures to a counterparty that does not have a reporting obligation under Article 19a/29a of Directive 2013/34/EU (or is part of a reporting group) no longer enter the calculation. This resulted in a substantial reduction in the value of the GAR denominator. Therefore, it is not possible to evaluate the GAR development trend this year, nor to compare the GAR values in 2024 and 2025. Further changes to the methodology and the method of calculation are described in the relevant chapters below.

Credit Institutions have no exposures on their assets that would relate to nuclear power or fossil gaseous fuels. See Tables EUTAX 6 and EUTAX 7 in Annex EUTAX.

A total of 29.73% of the total covered assets can be considered eligible¹⁷ for the taxonomy when assessed in terms of the counterparty KPI for turnover, 22.46% when using the counterparty KPI for CapEx¹⁸. In the case of loans, some exposures have been assessed as taxonomy-eligible based on the purpose of the provided financial resources¹⁹.

During 2025, 0% (as per counterparty KPIs for turnover; 0% as per counterparty KPIs for CapEx) of new exposures were taxonomy-aligned (flow GAR; see Annex EUTAX, Tables EUTAX 10 and EUTAX 11) compared to total new additions to total covered assets²⁰.

12) 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; 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.

13) Exposures included on a voluntary basis are exposures to counterparty undertakings which comply on a voluntary basis with the requirements laid down in Article 8 of Regulation (EU) 2020/852. In 2025, these exposures were not present in the portfolio of credit institutions.

14) The GAR as at 31 December 2024 was 0.63% when calculated based on the counterparty KPIs for turnover and 0.82% when calculated based on the counterparty KPIs for CapEx. In accordance with the methodology in 2024.

15) Only exposures with known use of proceeds to entities subject to reporting under Article 19a/29a of Directive 2013/34/EU were assessed.

16) Paragraph 3 of Article 7 of Regulation 2021/2178

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

18) Specifically, the activities financed were: Acquisition and ownership of buildings (CCM 7.7, CCA 7.7), Hotels, resorts, camping grounds and similar accommodation (BIO 2.1), Renovation of existing buildings (CCM 7.2/CCA 7.2/CE 3.2), High-efficiency combined heat/cooling and fossil gas-fired power generation (CCM 4.3).

19) Specifically, the activities financed were: renovation of existing buildings (CCM 7.2), programming, consultancy and related activities (CCA 7.7) and acquisition and ownership of buildings (CCM 7.7). None of the special purpose loans were assessed as taxonomy-aligned.

20) During 2024, 0.54% (as per counterparty KPIs for turnover; 0.57% as per counterparty KPIs for CapEx) of new exposures were taxonomy-aligned compared to total new additions to total covered assets. In line with the 2024 methodology.

Due to regulatory changes in the method of calculating flow GAR – as in the case of stock GAR – its values cannot be compared with the amount of new taxonomy-aligned exposures for 2024. Compared to 2024, there was also an expansion of assessed assets to include assets that were provided/purchased during 2025 and subsequently repaid/sold before the end of the same year²¹.

The zero 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 entities for which it was conservatively decided due to lack of data to classify them as exposures not in alignment with the taxonomy (or ineligible for the taxonomy).

New exposures in 2025 were not related to nuclear power or fossil gaseous fuels.

A total of 0.02% of the total covered assets arising in 2025 can be considered eligible for the taxonomy when calculating using the counterparty KPI for turnover, and 0.00% when using the counterparty KPI for CapEx.

Another of the Credit Institutions' KPIs is the key performance indicator – 'off-balance sheet exposures' (stock), which represents the proportion of off-balance sheet assets that are related to taxonomy-aligned activities to covered off-balance sheet exposures, excluding selected types of exposures (see methodological assumptions below). This indicator is further subdivided into financial guarantees and assets under management.

As at 31 December 2025, 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). Of the assets under management, 8.81% (for the calculation based on counterparty KPIs for turnover) and 6.28% (for the calculation based on CapEx) was taxonomy-aligned – see Annex EUTAX, Tables EUTAX 12 and EUTAX 13.

The value of eligible financial guarantees was 30.64% according to the counterparty KPIs for turnover, 36.79% according to the counterparty KPIs for CapEx.

In the case of assets managed by Credit Institutions, 33.06% of exposures were taxonomy-eligible when using counterparty turnover KPI, and 31.86% when using CapEx KPI.

Again, the results in 2024 and 2025 cannot be compared due to different calculation methodologies. According to current regulatory requirements, counterparties that do not have an obligation to report under Article 19a/29a of Directive 2013/34/EU were excluded from the denominator of the indicator – "off-balance sheet exposures". For the KPI for financial guarantees for 2025, the denominator accounted for 0.02% of total financial guarantees, and for the KPI for assets under management, it was 12.94% of total assets under management. In 2024, all off-balance sheet exposures were included in the calculation.

In 2025, there were no new off-balance sheet exposures created – financial guarantees that are taxonomy-aligned or taxonomy-eligible (when using the counterparty KPI for turnover and for CapEx – see Annex EUTAX, Tables EUTAX 14 and EUTAX 15).

For assets under management, the proportion of newly created taxonomy-aligned exposures was 0.19% when calculated using the turnover KPI, and 0.42% when using the counterparties' CapEx KPI. Regarding the eligibility of new assets under management, it was 2.86% when calculated using the turnover KPI of counterparties and 3.54% when using the CapEx KPI.

No financial guarantees are associated with nuclear power or fossil gaseous fuels activities.

In the case of assets under management, some exposures were related to nuclear energy and fossil gaseous fuels. The table below shows the proportion of taxonomy-eligible/-aligned assets under management which are related to nuclear energy or fossil gases.

Type of related activity	Proportion of taxonomy-aligned assets under management to covered assets under management	Proportion of taxonomy-aligned assets under management to covered assets under management
Nuclear energy	3.05 %* / 0.95 %**	3.05 %* / 0.95 %**
Fossil gases	0.00 %* / 0.00 %**	8.10 %* / 4.77 %**

*²¹ As per the Turnover KPI of the counterparty;

**²¹ As per the CapEx KPI of the counterparty

Assets under management related to nuclear energy and fossil gaseous fuels specifically represent 23.83% of covered assets under management.

21) In 2024, loans granted and repaid during the year or securities bought and sold during the year were not included in the calculation.

Eligibility and 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 selected types of exposures from the denominator (see the calculation procedure for this KPI below). The denominator of that proportion in 2025 was a total of EUR 2.74 million (i.e. 6.57% of the total balance of assets invested by Investment Firms for their own account).

The numerator of this indicator includes debt securities, equity instruments towards investee companies and all other assets in which the Investment Firms invest for their own account and which constitute exposures to specified types of counterparties.

The green asset ratio for investment firms was 0% as at 31 December 2025 when using the counterparty KPI for turnover and 0% for the counterparty KPI for CapEx (see Annex EUTAX, Tables EUTAX 17 and 18). The reason for the zero values of KPIs is the nature of the business activities of Investment Firms (i.e. ATLANTIK finanční trh, a.s.), which are focused more on the activities of an investment fund depositary, and investment activities constitute only a small part of the activities – these involve several types of securities in the context of investing on one's own behalf, which relate almost exclusively to companies that do not have an obligation to report under Article 19a or 29a of Directive 2013/34/EU.

In 2025, there was a change in regulatory requirements regarding the methodology for calculating the value of the green asset ratio for Investment Firms, and therefore the values cannot be compared. A fundamental change is in the calculation of the KPI denominator; in 2025, exposures to a counterparty that does not have a reporting obligation under Article 19a/29a of Directive 2013/34/EU (or is not part of a reporting group) do not enter the calculation, compared to 2024, when they were included in the calculation²².

In 2025, 3.00% and 10.30% respectively (when using the counterparty KPI for turnover and in the case of a calculation based on the counterparty KPI for CapEx) of the total covered assets invested by Investment Firms for their own account, from which selected exposure types are excluded, were classified as taxonomy-eligible.

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.

Eligibility and 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 covered assets under management minus selected types of exposures (see methodological assumptions for the calculation of the Asset Managers' KPI).

As at 31 December 2025, the denominator of the KPI was CZK 10.08 billion, which represents 2.64% of the Asset Managers' total assets under management.

The KPI for the Asset Manager as at 31 December 2025 was 8.39% for the calculation based on the counterparty KPI for turnover (of which 8.19% towards the climate change mitigation target), 11.14% when using the KPI for CapEx (of which 11.06% towards the climate change mitigation target), see Annex EUTAX, Table EUTAX 19.

In 2025, there was a change in regulatory requirements regarding the methodology for calculating the value of the green asset ratio for Asset Managers, and therefore the values cannot be compared. A fundamental change is in the calculation of the KPI denominator; in 2025, exposures to a counterparty that does not have a reporting obligation under Article 19a/29a of Directive 2013/34/EU (or is not part of a reporting group) do not enter the calculation, compared to 2024, when they were included in the calculation²³. This resulted in a substantial reduction in the value of the GAR denominator.

The proportion of eligible assets under management is equal to 33.06% when using counterparty KPIs for turnover, 35.52% when using KPIs for CapEx. The majority of eligible assets under management relate to the climate change mitigation objective.

Due to the lack of detail in some of the internal data in terms of the categorization of assets under management (mainly related to share certificates under management), it was not possible in all cases to classify exposures according to whether they are financial or non-financial undertaking, whether they are based

22) 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. In accordance with the methodology in 2024.

23) The KPI for Asset Managers as at 31 December 2024 was 0.24% for the calculation based on the counterparty KPI for turnover, 0.57% when using the KPI for CapEx. In line with the methodology for calculating KPIs in 2024.

in the EU or outside the EU, etc. None of these exposures were assessed as taxonomy-eligible.

Some of the Asset Managers' exposures were related to nuclear energy and fossil gas activities – specifically, the securities of several non-financial undertakings and financial institutions that finance these activities²⁴.

The table below shows the proportion of taxonomy-eligible/-aligned assets under management which are related to nuclear energy or fossil gases.

Type of related activity	Proportion of taxonomy-aligned assets under management to covered assets under management	Proportion of taxonomy-aligned assets under management to covered assets under management
Nuclear energy	1,78 % * / 0,58 % **	1,78 % * / 0,58 % **
Fossil gases	0,01 % * / 0,02 % *	5,66 % * / 4,16 % **

*²⁵) As per the Turnover KPI of the counterparty;

**²⁶) As per the CapEx KPI of the counterparty

Eligibility and alignment of activities with the taxonomy – Non-financial Undertakings

Non-financial Undertakings disclose only two 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.

The KPI for OpEx²⁵ was assessed as non-material from the perspective of the Group's business focus. Operating expenditure was identified only for the company Rustonka Development II s.r.o.²⁶ in connection with the ownership of real estate.

Of the activities of Non-financial Undertakings, only the activities of Rustonka Development II s.r.o. were assessed as taxonomy-eligible based on the description of activities set out in the Technical Screening Criteria. Specifically, the activities were: renting and operating of own real estate²⁷ and renovation of ex-

isting buildings²⁸. In both cases, it was assessed that these economic activities related to the environmental objective of climate change mitigation.

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 mitigation²⁹.

In 2025, 48.38% of total turnover was classified as taxonomy-eligible.

A total of 0% of the net turnover was assessed to be in line with the taxonomy for the reasons outlined above.

Further information on the composition of the KPI for turnover is provided in Annex EUTAX, in Table EUTAX 20 and EUTAX 21.

In terms of the CapEx KPI, a total of 84.78% of capital expenditure is taxonomy-eligible, with 0% of capital expenditure being taxonomy-aligned.

Further information on the key performance indicator for capital expenditure is provided in Annex EUTAX, Tables EUTAX 20 and EUTAX 22.

The KPIs of Non-financial Undertakings for turnover and CapEx do not relate to activities involving nuclear energy or fossil gases.

In 2024, the KPI of Non-financial Undertakings was zero, just as in 2025. Of the total turnover, 40.89% was classified as taxonomy-eligible in 2024. In terms of the CapEx KPI, a total of 87.82% of capital expenditure was taxonomy-eligible. Eligible economic activities in 2024 were related, just as in 2025, to the company Rustonka Development II s.r.o.

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

24) 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).

25) The share of operating expenditure related to taxonomy-aligned activities in total operating expenditure.

26) In the amount of CZK 0.45 million.

27) In EU Regulation 2021/2139 falling under section 7.7 "Acquisition and ownership of buildings" (in Annex I and II).

28) According to section 7.2 in EU Regulation 2021/2139 (in Annex I and II).

29) Alternatively, to the objectives of climate change adaptation and circular economy.

Group³⁰, where the weights are the share of the turnover of that category in the total turnover of the Group³¹. This indicator represents 1.29% in the case of KPIs based on the counterparty turnover KPI and 1.71% if it were the counterparty CapEx KPI³².

The proportion of taxonomy-eligible economic activities is also set similarly³³, at 30.43% when considering counterparty KPIs for turnover and 25.34% 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 portfolio structure³⁴ and the Group's business model, and by the fact that most of the exposures analysed for their alignment with the taxonomy are to 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 for 2025. However, it plans to continue to seek more relevant data from its existing and new counterparties. 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 as amended by EU Regulation 2026/73), is provided in Annex EUTAX. The Annex in question specifically contains the tables below. These tables are also provided in the "Annexes" of the consolidated sustainability report:

Table EUTAX 1: Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

Tables EUTAX 2 and EUTAX 3, EUTAX 4 and EUTAX 5: Assets for the calculation of GAR

Tables EUTAX 6 and EUTAX 7: Green Asset Ratio (GAR) – sector information

Tables EUTAX 8, EUTAX 9, EUTAX 10 and EUTAX 11: GAR KPI

Tables EUTAX 12, EUTAX 13, EUTAX 14 and EUTAX 15: KPI off-balance sheet exposures

Table EUTAX 16: Summary of KPIs to be disclosed by investment firms under Article 8 Taxonomy Regulation

Tables EUTAX 17 and EUTAX 18: KPI IF – Dealing on own accounts

Table EUTAX 19: KPIs of asset managers

EUTAX Table 20: Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities (summary KPIs)

EUTAX Table 21: Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities (activity breakdown)

EUTAX Table 22: Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities (activity breakdown)

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 1,000 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)³⁵.

30) For Credit Institutions: GAR – stock (see Annex EUTAX, Tables EUTAX 8 and EUTAX 9); for Investment firms: KPI related to asset – stock (see Annex EUTAX, Tables EUTAX 17 and EUTAX 18); for Asset Managers: KPI relating to assets under management (see Annex EUTAX, Table EUTAX 19); for Non-financial Undertakings: KPI related to turnover and capital expenditures (see Annex EUTAX, Table EUTAX 20).

31) The weighting for Credit Institutions is 82.90%, for Investment Firms 0.31%, for Asset Managers 15.32% and for Non-financial Undertakings 1.46%. The values given are rounded to whole decimal places (the sum of the numbers given may therefore not add up to 100%).

32) In 2024, the indicator represented 0.62% in the case of KPIs based on the counterparty turnover KPI and 0.81% if it were the counterparty CapEx KPI. In accordance with the methodology in 2024.

33) Only instead of KPIs for alignment with the taxonomy, eligibility indicators for the taxonomy are used – the weights are the same.

34) The majority of companies are companies that do not have an obligation to report under Article 19a/29a of Directive 2013/34/EU, i.e. they do not have an obligation to disclose non-financial information.

35) The calculation of KPIs also includes assets of a counterparty that does not have an obligation to disclose non-financial information under Articles 19a or 29a of Directive 2013/34/EU but discloses such information on a voluntary basis. In 2025, there were no companies in the calculation that voluntarily disclosed non-financial information.

Where a counterparty does not itself have a reporting obligation under Article 19a/29a of Directive 2013/34/EU³⁶, 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 entities³⁷ to which the counterparty belongs³⁸.

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)³⁹; 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 2025, all securities were assessed as having no known purpose unless clearly demonstrable otherwise;

- 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)⁴⁰, 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 repos⁴¹ and share certificates, where all exposures have been conservatively categorized as taxonomy-non-eligible due to lack of data.

36) 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.

37) 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.

38) 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.

39) 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.

40) 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.

41) I.e. for example, in the case of Table EUTAX 2 in Annex EUTAX, exposures to repo transactions are included in line 27.

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 2025 is not available). The exposures that were, as at 31 December 2025, classified as taxonomy-eligible/taxonomy-aligned, were in most cases evaluated based on information from publicly available sources.

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 with the counterparty) or on internal expert judgement in case of insufficient or unreliable data.

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 objectives⁴² – 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 economy⁴³ – 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 accounting consolidation) 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:

$$\text{GAR} = \frac{\text{the gross carrying amount of loans and other receivables, debt securities, equity instruments and foreclosed collateral⁴⁴, which finance taxonomy-aligned economic activities}}{\text{total covered assets}}$$

42) The full definition is set out in Article 16 of EU Regulation 2020/852.

43) The full definition is set out in Article 10(2) of EU Regulation 2020/852.

44) The following accounting categories of financial assets are included in the numerator, including loans and other receivables, debt securities, equity instruments, and foreclosed commercial and residential real estate collateral:

- financial assets at accrued value
- financial assets at fair value through other comprehensive income
- investments in subsidiaries, joint ventures and associates
- financial assets at fair value through profit or loss and non-trading financial assets designated at fair value through profit or loss
- real estate collateral acquired by lending institutions through foreclosure in exchange for debt cancellation.

The following types of assets are included in the total covered assets, which represent the denominator of the GAR:

- counterparties subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU;
- counterparties that belong to a group where the parent undertaking has a reporting obligation under Article 29a of Directive 2013/34/EU;
- assets operated by a counterparty that is subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU;
- assets operated by a counterparty that belong to a group where the parent undertaking has a reporting obligation under Article 29a of Directive 2013/34/EU.

The following items are not included in either the numerator or the denominator of the GAR (i.e., they are not assessed for taxonomy alignment or taxonomy eligibility):

- exposures to central governments, supranational issuers and central banks⁴⁵;
- derivatives⁴⁶;
- financial assets held for trading (i.e. the trading portfolio)⁴⁷;
- on-demand interbank loans⁴⁸;
- exposures to undertakings that are not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU⁴⁹ (however, exposures to households and local governments with known use of revenues are included in the numerator of the indicator);
- cash and cash-related assets⁵⁰;
- 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 and assets under management, items similar to those listed for the GAR above (i.e. exposures to central governments,

derivatives, etc.) are not included in either the numerator or denominator.

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 42% of the total loan volume to counterparties reporting information under Article 19a/29a of Directive 2013/34/EU as at 31 December 2025. The Group thoroughly assessed the taxonomy alignment of these loans and found that none were taxonomy-aligned due to non-compliance with DNSH criteria.

Clarification on the classification of certain items:

- all loans to individuals are included in the "Households" row (e.g. row 11 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 27 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 27 in

45) 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.

46) 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.

47) 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.

48) On-demand interbank loans are considered to be deposits in current accounts with other banks primarily for correspondent banking and brokerage services.

49) In 2024, these exposures were included in the calculation of the GAR (denominator).

50) 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.

Annex EUTAX, Table EUTAX 2), "Households" (row 11) or "Loans and other receivables" for non-EU undertakings (row 33);

- 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 27 in Annex EUTAX, Table EUTAX 2);
- assets under management (e.g. row 42 in Annex EUTAX, Table EUTAX 2) include other types of exposures in addition to debt securities and equity instruments, e.g. bills of exchange.

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;
- 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 be the product of the increment in units (the difference between the end of the current and the previous reference period) and the gross carrying amount 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:
 - › on-demand interbank 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 banks⁵¹.

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.

Some exposures are assessed as exposures included on a voluntary basis. These are exposures to a counterparty that does not report under Article 19a/29a of Directive 2013/34/EU but voluntarily reports KPIs in accordance with EU Regulation 2021/2178.

For the following types of exposures, taxonomy eligibility/alignment is not assessed (so-called "non-assessed exposures")⁵²:

- Non-material exposures, i.e. exposures for which it is possible to omit assessing taxonomy eligibility/alignment, as they are exposures with known use of proceeds, the cumulative value of which is less than 10% of all on-balance sheet assets whose use of proceeds is known that are included in the denominator⁵³.
- Non-material activities of counterparties: max. 10% of the cumulative CapEx / turnover / relevant KPI of the financial undertaking. Thus, for the portion of the exposure corresponding to the proportion of the non-material activity, taxonomy eligibility/alignment is not assessed.
- Exposures to financial undertakings that publish a statement in their annual report that they have no activities that could be classified as environmentally sustainable (pursuant to Article 7(9) of EU Regulation 2021/2178).

Procedure for calculating individual KPIs – Investment Firms

The Green Asset Ratio for Investment Firms is calculated as the interest of assets⁵⁴ related to taxonomy-aligned activities within total assets invested for own account after excluding selected types of exposures listed below.

The following items are not included in either the numerator or the denominator of the KPI (i.e. they are not assessed for taxonomy alignment or taxonomy eligibility):

- exposures to undertakings not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU⁵⁵;

51) 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.

52) No non-assessed exposures were identified in 2025.

53) For both stock and flow indicators.

54) These are all the assets that Investment Firms invest for their own account. It includes debt securities, equity instruments due to investees, real estate and all other assets. It includes exposures to both non-financial and financial investee companies.

55) In 2024, these exposures were included in the calculation of the (denominator) KPI.

- exposures to central governments, central banks and supranational issuers;
- derivatives;
- on-demand interbank loans;
- cash and cash-related assets;
- other assets for which consistency with the EU taxonomy cannot be assessed (e.g. goodwill, commodities).

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 under management⁵⁶ related to taxonomy-aligned activities relative to total assets after excluding selected types of exposures listed below.

Figures are presented at gross book value excluding netting.

The following items were excluded from the numerator and denominator of the Asset Managers' KPI (i.e. these exposures may not be taxonomy-eligible or taxonomy-aligned):

- exposures to undertakings not subject to the obligation to disclose non-financial information pursuant to Article 19a/29a of Directive 2013/34/EU⁵⁷;
- exposures to central governments, central banks and supranational issuers;
- derivatives;
- on-demand interbank loans;
- cash and cash-related assets;
- other assets for which consistency with the taxonomy cannot be assessed (e.g. goodwill, commodities).

In the event that a type of entity within the Group 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.

The Group plans to further focus on increasing the availability of reliable data at Asset Managers in 2026 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 turnover⁵⁸ 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 expenditure⁵⁹, which relates to assets or processes associated with taxonomy-aligned activities, to total capital expenditure⁶⁰.

The OpEx related KPI represents the proportion of operating expenditure⁶¹ 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, a conservative simplifying assumption is used that if none of an entity's activities are

56) These are the assets under management of the entities in question, relating to both collective and individual portfolio management.

57) In 2024, these exposures were included in the denominator of the Asset Managers' KPI.

58) 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.

59) 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.

60) 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.

61) 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).

taxonomy-aligned (or taxonomy-eligible), then neither will its turnover, capital, or operating expenditures be considered taxonomy-aligned (or taxonomy-eligible).

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).

In calculating the KPIs for turnover, CapEx, and OpEx, the following simplifying conservative assumptions are used due to data limitations:

- if any of the main 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 safeguards⁶², which is a prerequisite for classifying activities as taxonomy-aligned, is currently not fully demonstrable for 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.

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).

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 plan will be developed during 2026.

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. 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 and has been applied in the current year as well.

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- (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.

The Group does 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 impacts and risks in the area of climate change, as it has been assessed that it is not yet necessary to implement such a policy.

E1-3: Actions and resources in relation to climate change policies

The Group has not yet taken action on climate change, as it is currently collecting the necessary data to set any measures.

E1-4: Targets related to climate change mitigation and adaptation

The Group has not yet set any measurable targets in the area of climate change and currently does not track the effectiveness of policies and actions in relation to material IROs, since it does not have a transition plan in place. Systematic tracking of effectiveness and setting of targets is planned following the development of a transition plan, by 2026 at the latest.

E1-6: Gross Scopes 1, 2, 3 and total GHG emissions

GHG emissions

As part of the Group's efforts for transparent reporting of greenhouse gas (GHG) 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.
- 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.

When assessing the scope of the carbon footprint disclosure, the Group considered the requirements of ESRS, the GHG Protocol and the PCAF methodology. Based on this assessment and considering data availability, the Group decided not to disclose the carbon footprint of assets under management (AUM) in this reporting period.

The group mainly includes the following greenhouse gases in the calculation: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆), nitrogen trifluoride (NF₃), 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 CO₂ equivalent (CO₂eq) 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.	
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.	Eora66 MRIO Factor Set AIB European Residual Mix DEFRA Eurostat PCAF IPCC
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.	

Membership in PCAF

In 2025, the Group joined the Partnership for Carbon Accounting Financials (PCAF), thereby strengthening its commitment to measure and manage financed greenhouse gas emissions in accordance with a globally recognised standard. The membership enables the Group to use a uniform methodology for calculating financed emissions according to sector classification and asset type, and at the same time to use official emission factors from the PCAF database, which ensures consistency, auditability of data and their comparability over time and across portfolios. The disclosure of financed emissions is newly carried out in accordance with the PCAF reporting rules (Category 15 "Investments" is further broken down by the sector classification and geographical scope of counterparties).

Scope 1 and 2 emissions

To streamline the carbon footprint calculation 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 sources and mobile sources and refrigerant leakage; Scope 2 emissions cover indirect emissions from the production of purchased electricity and heat.

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 (mainly R134a) was collected. Based

on this data, emissions were calculated as CO₂eq using standardised emission factors from the 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. 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 in compliance 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 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 organization'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 data-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 the Scope 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 collection, disclosure, or reliable estimation methods that are in compliance 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.

With effect from 2025, the methodology for calculating the carbon footprint in Category 15 was changed following the Group joining the PCAF initiative. The Group newly applies PCAF emission factors, which represent an internationally recognised standard for calculating financed emissions and allow for a higher degree of comparability of results across the financial sector. At the same time, in order to increase transparency and data quality, work with primary data on clients' carbon footprints obtained through an internal ESG questionnaire has been strengthened. Therefore, in order to ensure full comparability of results between individual periods and to limit methodological distortion resulting from the change in the approach to the calculation, the calculation of Category 15 for 2024 was also updated retrospectively.

List of emission factor sources

The following sources of emission factors were used in the preparation of this report:

Source	Version	URL
Eora66 MRIO Factor Set	2024	https://worldmrio.com/metadata.jsp
AIB European Residual Mix	2023	https://www.aib-net.org/facts/european-residual-mix
Department for Environment, Food and Rural Affairs (DEFRA)	2024	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024
PCAF	2023	https://building-db.carbonaccountingfinancials.com/PCAF_emission_factor_database.php?partitionpage=Commercial+real+estate
PCAF	2019	PCAF emission factor database
IPCC	According to the AR version	https://www.ipcc.ch/reports/

Summary of the Greenhouse Gas Inventories

Below is a summary of the GHG inventories.

GHG emissions (tCO ₂ eq)	2024	2024 according to PCAF methodology	2025 according to PCAF methodology
Gross Scope 1 GHG emissions	395.63 t CO ₂ e	395.63 t CO ₂ e	529.67 t CO ₂ e
Gross Scope 2 GHG emissions (location-based)	1,289.21 t CO ₂ e	1,289.21 t CO ₂ e	1,144.32 t CO ₂ e
Gross Scope 2 GHG emissions (market-based)	2,407.72 t CO ₂ e	2,407.72 t CO ₂ e	1,985.75 t CO ₂ e
Total indirect gross GHG emissions (Scope 3)	1,975,968.22 t CO ₂ e	5,888,959.22 t CO ₂ e	3,519,256.46 t CO ₂ e
Purchased goods and services	30,289.51 t CO ₂ e	30,289.51 t CO ₂ e	21,078.23 t CO ₂ e
Capital goods	3,468.23 t CO ₂ e	3,468.23 t CO ₂ e	1,358.90 t CO ₂ e
Fuel and energy related activities (not included in Scope 1 or 2)	501.09 t CO ₂ e	501.09 t CO ₂ e	327.08 t CO ₂ e
Upstream transport and distribution	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Waste generated in operation	29.77 t CO ₂ e	29.77 t CO ₂ e	27.79 t CO ₂ e
Business travel	202.10 t CO ₂ e	202.10 t CO ₂ e	386.67 t CO ₂ e
Employee commuting	480.51 t CO ₂ e	480.51 t CO ₂ e	377.79 t CO ₂ e
Upstream leased assets	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Downstream leased assets	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Processing of sold products	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Use of sold products	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
End-of-life treatment of sold products	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Leased assets – downstream	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Franchises	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Investments (loans and investments)	1,940,997 t CO ₂ e	5,853,988 t CO ₂ e	3,495,700 t CO ₂ e
Total GHG emissions (location-based)	1,977,653.07 t CO ₂ e	5,890,644.07 t CO ₂ e	3,520,930.45 t CO ₂ e
Total GHG emissions (market-based)	1,978,771.58 t CO ₂ e	5,891,762.58 t CO ₂ e	3,521,771.88 t CO ₂ e
Biogenic emissions of CO ₂ from the combustion or bio-degradation of biomass not included in the Scope 1 GHG emissions	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
Biogenic emissions of CO ₂ from the combustion or bio-degradation of biomass not included in the Scope 2 GHG emissions	- t CO ₂ e	- t CO ₂ e	- t CO ₂ e
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 ₂ e	- t CO ₂ e	- t CO ₂ e
Emissions from purchased cloud computing and data center services (also included in the category of purchased goods and services)	1,919.55 t CO ₂ e	1,919.55 t CO ₂ e	1,090.92 t CO ₂ e

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).

The year-on-year change in the total carbon footprint is mainly driven by the update of the methodology for calculating financed emissions and the use of emission factors according to the PCAF methodology. At the same time, the calculation of emissions in other categories was refined, thanks to the use of more accurate emission factors and the availability of higher quality input data; for example, for J&T BANKA, a.s., pobočka zahraničnej banky Bratislava, an emission factor directly from the energy supplier was newly used. These methodological adjustments have a significant impact, in particular, on the Investments category, which represents a dominant share in the total carbon footprint of the Group.

Following these methodological changes, in order to ensure year-on-year comparability, the emission values for 2024 were re-

calculated according to the updated methodology. This recalculation allows for a consistent comparison of emissions between individual periods and at the same time eliminates the impact of methodological changes on the interpretation of the development of the Group's emission footprint.

A total of 22.52% of the total Scope 1, 2, and 3 GHG emissions (i.e., 792,955.63 t CO₂e of the total 3,521,771.88 t CO₂e) was calculated based on approximated data. The largest share in these approximations is represented by Category 15 of Scope 3 (Investments), where emissions determined on the basis of approximated data amounted to 792,125.62 t CO₂eq, which corresponds to 22.66% of the emissions of this category and at the same time 22.49% of the total emissions of the Group. Further approximations were used in Scope 3 categories related to the organisation's operating activities (waste, business travel and employee commuting), where the total volume of emissions calculated on the basis of approximated data amounted to 484.36 t CO₂eq. Also significant is J&T BANKA, a.s., pobočka zahraničnej banky Bratislava, where

approximations were used mainly for data related to the consumption of natural gas and refrigerants, due to the limited availability of primary data. A total of 345.65 t CO₂eq was determined on the basis of approximated data. In relation to the total emissions of the Group, the approximations at this branch represent 57.15% of Scope 1 emissions, 0% of Scope 2 emissions and 0.00122% of Scope 3 emissions. Overall, approximations related to this branch represent 0.00981% of the total Group emissions.

GHG intensity based on net revenue

GHG intensity per net revenue	Year 2024	Year 2025
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/Monetary unit)	0.0001548	0.0002499
Total GHG emissions (market methodology) per net revenue (tCO ₂ eq/Monetary unit)	0.0001549	0.0002500

The GHG intensity ratio shall be calculated using the following formula:

Intensity ratio =

$$= \frac{(\text{GHG emissions under Scope 1 in the given year} + \text{GHG emissions under Scope 2 in the given year (location-based or market-based method, whichever is higher)} + \text{GHG emissions under Scope 3 in the given year})}{\text{Net revenue of the Group in the year}}$$

where the total GHG emissions are in metric tonnes of CO₂eq 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

Metrics	Year 2024	Year 2025
Net revenue used to calculate GHG intensity (in CZK millions)	12.774	14.087
Net revenue (other)	-	-
Total net revenue (accounting statements)	12.774	14.087

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. The Group uses the transitional provision pursuant to ESRS 1, section 10.2 Transitional provision related to chapter 5 Value chain, which allows it to omit full data on the circular economy in its value chain during the first three years of reporting. Currently, the Group does not have a sufficient amount of data from its clients in the area of the circular economy. The Group is considering steps to obtain the data, with the aim of gradually improving the completeness and accuracy of the data in subsequent periods.

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 due to the lack of detailed data to implement the policies.

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 does not have sufficient data to implement the action.

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 because it does not have enough data to establish targets.

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.

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 under-represented 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 the Group has a top-notch team of competent, motivated, educated, and open people who feel a strong sense of ownership for their entrusted area. The Group takes all

steps to have such a team, i.e., it educates, enables, and supports employee growth, promotes open communication, and provides 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, the Group focuses on gender equality (always approaching employees based on knowledge, not gender), including equal pay, preventing violence and harassment in the workplace.

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.

The interests of key stakeholders in relation to own workforce are described in ESRS-2-SBM-2-S1.

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. The Group requires employees to report 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 direct 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 Group strategy was updated in 2025 and the future direction of the Group was presented at a company-wide meeting. Subsequently, managers elaborated on the strategy in individual sections and coordinated with each other to ensure that goals were 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 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 2025, 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

Processes to remediate negative impacts and channels for own workers to raise concerns are set uniformly across the Group. Their detailed description, including responsibilities and whistleblowing mechanisms, is provided in section G1-1 – Business conduct policies and corporate culture, and therefore they are not further elaborated separately within section S1-3.

Within the Group, systems are in place to identify, prevent, mitigate, and limit impacts on employees in significant areas – gender equality, diversity, and harassment in the workplace. 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 the management identifies potential negative impacts on employees, it commits to providing immediate and prompt remediation. The HR Director, together with a Board of Directors representative, sets action steps for remediation. The effectiveness of cor-

rective 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 managed by the Group:

- employee satisfaction surveys;
- direct contact with their superior;
- direct contact with the HR department;
- email box whistleblowing@jtfg.com;
- e-mail 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 – via a third party);
- 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 2025, no new measures regarding gender equality and equal pay for work were introduced. The Group applies a regular review of the remuneration policy as part of its standard HR and management processes; the next review is planned for 2026 and applies to all Group employees. The review is a standard control mechanism within remuneration management. In 2025, there were no fundamental changes to the remuneration policies.

Measures against violence and harassment in the workplace

In 2025, no new preventive measures were introduced to prevent violence and harassment in the workplace. The Group has established standard regular procedures for addressing individual reported cases, which include support for the affected persons and the application of remedial mechanisms in accordance with labor law regulations (e.g. access of persons to counseling services and remedial mechanisms such as meetings with a psychologist, termination of the perpetrator's employment). These procedures are a standard part of managing labor relations. In 2025, there were no fundamental changes in the related procedures.

Diversity measures

In 2025, an lecture on diversity was held to support the prevention of potential negative impacts and strengthen positive impacts in the area of diversity. If specific needs are identified, employees are granted access to development programs, external workshops or courses within the standard budgets of individual teams. These measures are regularly applied across the Group and their effectiveness is monitored through standard HR tools (e.g. through employee feedback).

S1-5: Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

The success of the targets 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 targets. Primarily human and time resources were allocated to manage significant impacts on the own workforce. The targets are consistent with the policies in S1 and have been set for the Group.

Gender equality targets and equal pay for work for 2026 including the evaluation for 2025

- At least 30% representation of women in managerial positions/management (B-2 excluding senior management).
 - › In 2025, this target was met.
- At least one woman and one man in senior management (B-1).
 - › In 2025, this target was met.
- Establishing conditions so that at least 30% of women utilize the option to return to work after maternity/parental leave.
 - › In 2025, this target was not met as only 25% of women used the option.

Targets related to preventing violence and harassment in the workplace

- No targets are set, as specific measures to address this area have not yet been established.

Diversity targets

- In 2025, an lecture on diversity took place.
- No targets are set for 2026, as the lecture already took place 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 2024 (head count)	Number of employees as at 31 December 2025 (head count)
Male	474	505
Female	539	531
Other	-	-
Not reported	-	-
Total employees	1,013	1,036

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 2024 (head count)	Male	Female
Czech Republic	700	338	362
Slovakia	247	108	139
Croatia	55	23	32
Germany	11	5	6

Country	Number of employees as at 31 December 2025 (head count)	Male	Female
Czech Republic	745	378	367
Slovakia	224	97	127
Croatia	55	23	32
Germany	12	7	5

Temporary staff statistics

Temporary employees of the Group (Contracts for work* / Agreements to perform work**) as at 31/12/2025	Male 2024	Female 2024	Male 2025	Female 2025
J&T BANKA, a.s.	10	20	15	24
J&T BANKA, a.s. pobočka zahraničnej banky (SK)	-	6	-	6
J&T banka d.d. (HR)	-	-	-	-
J&T BANKA, a.s. Zweigniederlassung Deutschland (DE)	-	-	-	-
AMISTA investiční společnost, a.s.	-	-	2	1
AMISTA Consulting, s.r.o.	2	1	1	1
ATLANTIK finanční trhy, a.s.	2	-	2	-
J&T Leasingová společnost, a.s.	-	-	1	-
J&T IB and Capital Markets, a.s.	-	-	1	1
J&T INVESTIČNÍ SPOLEČNOST, a.s.	6	2	4	4
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	1	-	-	-
Total	21	29	26	37

	Number of employees (head count) 2024	Number of employees (head count) 2025
Czech Republic	43	57
Slovakia	7	6
Croatia	-	-
Germany	-	-
Total	50	63

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)				
-	-	-	-	-

2025 – Group as at 31/12/2025

Female	Male	Other	Not disclosed	Total
Number of employees (head count)				
531	505	-	-	1,036
Number of permanent employees (head count)				
494	479	-	-	973
Number of temporary employees (head count)				
37	26	-	-	63
Number of non-guaranteed hours employees (head count)				
-	-	-	-	-

The Group does not have employees with non-guaranteed working hours.

The number of employees who left the Group in 2025 was 111, i.e. 11.4% (in 2024 it was 113 employees, i.e. 12.5%). The percentage represents the relative number of departures, i.e. the ratio of total departures to the total number of permanent employees at the end of the year.

The target for 2025 was, and for the following year 2026 is, not to exceed a fluctuation at the Group-wide level of 18%. In 2025, the fluctuation in the Group reached 11.3% (2024: 12.5%); it is calculated as the ratio of total departures to the average number of employees in the given year.

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 ("DPC").

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 %

As at 31/12/2025	Male	Female
Senior management – number	31	5
Senior management – ratio	86 %	14 %
Managers (B-2) – number	49	20
Managers (B-2) – ratio	71 %	29 %

Age category	Number of permanent employees as at 31/12/2024	Number of permanent employees as at 31/12/2025
Up to 30 years	200	195
From 30 to 50 years	672	680
Over 50 years	141	161
Total	1,013	1,036

In 2025, 25% of the Group's employees used the option to return from maternity/parental leave (in 2024, 52% used the option). The indicator relates to the promotion of gender equality and work-life balance.

S1-16: Compensation metrics (pay gap and total compensation)

The methodology for calculating the Gender Pay Gap (GPG) is based on the principle of comparing employee remuneration according to comparable types of job positions. Therefore, employees were first divided into the above categories so that the pay gaps between women and men for work of equal value could be relevantly evaluated. To determine the overall GPG, a weighted average of the sub-categories was used, which takes into account the number of employees in individual categories. This procedure ensures that the resulting indicator corresponds to the real structure of jobs in the organization and adequately reflects the differences in those categories that have the greatest impact on overall remuneration.

Gender pay gaps by country and category

Country	Category	Category (2024)	Category (2025)	Country (2024)	Country (2025)
CR	Administration	9 %	(4 %)	12.60 %	7.00 %
	Back Office	15 %	8 %		
	Front Office	12 %	13 %		
	Management	19 %	(10 %)		
	Top management	(20 %)	(4 %)		
DE	Back Office	not measurable*	(12 %)	7.10 %	(1.40 %)
	Management	20 %	9 %		
	Top management	not measurable*	not measurable*		
HR	All employees	42 %	33 %	42.50 %	32.60 %
SR	Administration	31 %	32 %	10.70 %	10.20 %
	Back Office	5 %	5 %		
	Front Office	22 %	20 %		
	Management	11 %	14 %		
	Top management	(58 %)	(71 %)		
Total pay gap				13.70 %	8.90 %

If the value is negative, women's average pay is higher than men's.

* only one gender represented

In 2025, the total unadjusted GPG is 51% (52% for 2024). However, this figure has a fundamental limitation: it compares all roles across the Group regardless of whether it is a junior position in one country or a senior management role in another country and, therefore, does not show the true pay gap for the same work. To get a more accurate and fairer picture of the fairness of our remuneration, we use the adjusted GPG mentioned above. This compares salaries exclusively between male and female colleagues in comparable categories.

The ratio of the highest paid individual's total annual remuneration to the median total annual remuneration of other employees was 2,924% in 2025 (2,573% in 2024); the ratio was impacted by the different levels of remuneration in individual countries. The calculation includes all employees active as at 31 December 2025 (or 31 December 2024), including temporary staff.

S1-17: Incidents, complaints and severe human rights impacts

Incidents, complaints and severe human rights impacts

Datapoint	Metrics	2024	2025	Commentary (additional information)
Total number of incidents of discrimination, including harassment	Number	-	-	
Number of complaints submitted through the channels for raising concerns	Number	-	2	Both complaints concerned labor relations and both were resolved.
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	-	-	

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, adhering to equal treatment, political neutrality, and the binding nature of "gentlemen's agreements" are key values that foster trust and respect in relationships with both clients and employees. 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:

- Using the whistleblowing hotline;
- Through a complaint;
- By email, which is used for reporting incidents related to personal data protection;
- In person to Compliance staff;
- 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@jtf.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.

- 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. 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.
- Promoting the creation of standards, including rules of conduct for proper, honest, and appropriate business activities, prevent-

ing 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.

- 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.
- 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.
- 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.

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.

During the investigation, the Group Compliance Officer is obliged to act impartially and maintain confidentiality and the identity of the whistleblower, even after the conclusion of the investigation (unless otherwise required by law). 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.

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 and the validity or invalidity of the report.

If the report is deemed valid, an appropriate measure is taken to prevent or rectify the unlawful situation, of which the whistleblower is informed.

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. Information on training is anchored in the internal regulation (Employee Benefits).

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. 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, individual obliged entities that are part of the Group identify departments, or units, with significant influence on AML risk management, and ensure their specialized training; this includes financial markets support, credit risk management, active trade management and trading.

Monitoring the effectiveness of policies and actions

The Group has not set formal quantitative targets in the area of ethical conduct, however, it regularly tracks the effectiveness of the Code of Ethics and related policies. Monitoring is carried out mainly through internal audits, evaluation of whistleblowing reports and conflict of interest cases, or internal questionnaire surveys. These tools enable continuous assessment of whether the principles of ethical conduct are adhered to and whether they are not being violated.

G1-3: Prevention and detection 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.

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.

Other tools that contribute to the prevention of unwanted conduct include:

- 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;
- A staff member who is deemed to be biased in a particular matter is not authorised to deal with that matter;
- The obligation of the employee to inform his or her supervisor of any potential conflict of interest;
- 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;
- 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;
- Monitoring of employees' business activities from publicly available sources.

The controls associated with dealing with corruption and bribery are carried out at three levels:

- 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.

- 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.
- 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 regu-

lar 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 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 AML anti-corruption/anti-bribery principles

An introductory training is organized for new employees of the Group's AML obliged entities, where they are introduced to the Group's ethical and anti-corruption principles, issues related to the prevention of so-called money laundering, and also 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. All employees also regularly complete training on the Criminal liability of legal persons and training on AML issues.

To increase awareness among individuals with significant influence on AML risk management, certain organizational units' employees are specially trained in the Bank. The Bank 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.

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.

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:

- 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.

- 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.
- 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 organizational 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 organizational 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 behavior of users of information assets;
- security settings and classification of information assets;
- 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 minimized. 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 Bank's Director of Security (OBE) is responsible for their validity. All employees of the Group 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.

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 and 2025.

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 2025:

- security exceptions;
- digital identity threats;
- fraud in the online world;
- social engineering.

The Group is in continuous contact with Czech National Bank, the National Office for Cyber and Information Security and the Czech Banking Association.

Other measures for 2026

The plan, not only for 2026, is to continue upgrading security technologies to be in compliance with the latest standards and best practices, with the main steps including the replacement of SIEM.

The Group 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.

Other measures in 2025

In 2025, advanced threat detection and prevention tools were implemented, such as intrusion detection systems, advanced firewalls, and endpoint protection technologies.

Cybersecurity metrics and targets

Targets are set only for J&T BANKA, a.s.

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. The aim is to ensure that the limit is not exceeded more than once a year.
- In 2025, the limit of 30 events per month was not exceeded.

Phishing messages intercepted after delivery to the user

- In 2026, the name of the undetected phishing metric was changed to the number of click-through phishing messages intercepted after delivery to the user.
- The limit (on the number of click-through phishing messages intercepted after delivery to the user) is set at 3 for 2026.

Number of vulnerabilities identified and remediated within a certain timeframe (a vulnerability is a weakness in an information system, application, or infrastructure that can be exploited by a threat to compromise the confidentiality, integrity, or availability of information or services.)

- The target for 2025 was to reduce the number of vulnerabilities at end-user devices by 30% compared to 2024.
- It was met in 2025, as the number of endpoint vulnerabilities was reduced by 68%.
- The target for 2026 is a 50% reduction in critical and high vulnerabilities in the non-productive environment.

Security incidents (an event that leads to a breach of information security in information systems, networks or services; in other words, it is a situation that has caused damage and compromised the confidentiality, availability or integrity of the data).

- The target for security incidents has been set at zero security incidents per month for 2025. The Group's goal was to have no safety incidents for 2025 and this goal was met.
- For 2026, the target is to have zero safety incidents.

Data tampering detection

- The target for 2025 was to detect 100 % of data tampering attempts and this target was met.
 - › In 2025, a single set of Data Loss Prevention (DLP) policies was implemented across the organization, across all identified sources of potential data leakage. As part of this activity, DLP mechanisms were activated and configured in key data processing and sharing systems, including email, file storage, endpoint devices and cloud services.
 - › The aim of the implementation was to ensure prevention and monitoring of unwanted handling of sensitive information and to create a control framework enabling continuous evaluation of incidents and improvement of security measures. Activation of DLP policies ensures that all relevant data flows of the organization are covered by detection and prevention mechanisms from 2025 onwards, enabling auditable monitoring of data protection events.
- With respect to the two points above, no target is set for 2026 and will no longer be pursued.

These targets are in line with relevant internal policies (security policy, IS/IT risks, vulnerability management, incident management, security oversight). Targets related to own operations were developed with the involvement of the Director of the Security Department.

APPENDIX TO THE CONSOLIDATED SUSTAINABILITY REPORT

Table EUTAX 1: Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation for 2025

Disclosure reference date / period 2025

		Total exposure to taxonomy-aligned activities (in CZK millions)		KPI (%)		% coverage (over total assets) (%)	Non-assessed exposures (% of covered assets) (%)	Non-assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based	-	Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	-	-	-	-	5.65 %	-	-
		Total exposure to taxonomy-aligned activities (in CZK millions)		KPI (%)		% coverage (over total assets) (%)	Non-assessed exposures (% of covered assets) (%)	Non-assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based	-	Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	-	-	-	-	3.01 %	-	-
	Financial guarantees	-	-	-	-	-	-	-
	Assets under management	86.16	61.43	8.81%	6.28%	-	-	-

Table EUTAX 2: Assets for the calculation of GAR for 2025 (for the turnover KPI of counterparties)

Disclosure reference date 2025																	
Stock (in CZK millions)		Total gross carrying amount	Of which taxonomy-eligible	Of which taxonomy-aligned										Non-assessed exposures			
				Breakdown per environmental objective						Of which Use of Proceeds (UoP)	Of which transitional	Of which enabling		Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution	
				Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)								
1	GAR – Covered assets in both numerator and denominator	15,761.75	4,686.55	-										-	-	-	-
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	15,761.75	4,686.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Financial undertakings	1,625.22	126.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	1,625.22	126.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-				-	-	-	-
7	Non-financial undertakings	10,852.07	4,560.14	-	-	-	-	-	-	-	-	-	-	-	-		-
8	Loans and advances	10,531.14	4,560.14	-	-	-	-	-	-	-	-	-	-	-	-		-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
10	Equity instruments	320.94	0.00	-	-	-	-	-	-	-		-	-	-	-		-
11	Households	3,284.46	-	-	-			-			-	-	-	-	-		-
12	of which loans collateralized by residential immovable property	138.45	-	-	-			-			-	-	-	-	-		-
13	of which building renovation loans	-	-	-	-			-			-	-	-	-	-		-
14	of which motor vehicle loans	-	-	-	-			-			-	-	-	-	-		-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
16	Housing financing	-	-	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
18	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-		-			-	-	-	-	-		-
19	Exposures included on a voluntary basis	-	-	-	-	-		-			-	-	-	-	-		
20	Total GAR assets	15,761.75												-	-	-	-
21	Assets not covered for GAR calculation	262,997.95															
22	Central governments and Supranational issuers	36,004.62															
23	Central banks exposure	87,873.25															
24	Trading book	5,166.69															
25	Undertakings and entities not subject to CSRD disclosure obligations	114,687.20															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	106,049.76															
27	Loans and advances	90,725.09															
28	of which loans collateralized by commercial immovable property	31,432.32															
29	of which building renovation loans	-															
30	Debt securities	2,043.24															
31	Equity instruments	13,281.43															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	8,637.44															
33	Loans and advances	8,585.60															
34	Debt securities	-															
35	Equity instruments	51.84															
36	Derivatives	-															
37	On demand interbank loans	157.40															
38	Cash and cash-related assets	169.48															
39	Other categories of assets (e.g. Goodwill, commodities, etc.)	18,939.09															
40	Total assets	278,759.70															
Off-balance sheet exposures (stock) to undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	4,445.69	0.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	7,553.53	323.15	86.16	86.11	-	-	-	-	-	-	29.82	2.68	-	-	-	-
43	of which debt securities	3,494.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	of which equity instruments	4,059.03	323.15	86.16	86.11	-	-	-	-	-	-	29.82	2.68	-	-	-	-

Table EUTAX 3: Assets for the calculation of GAR for 2025 (for the CapEx KPI of counterparties)

Disclosure reference date 2025																	
Stock (in CZK millions)		Total gross carrying amount	Of which taxonomy-eligible	Of which taxonomy-aligned										Non-assessed exposures			
				Breakdown per environmental objective						Of which Use of Proceeds (UoP)	Of which transitional	Of which enabling		Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution	
				Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)								
1	GAR – Covered assets in both numerator and denominator	15,761.75	3,540.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	15,761.75	3,540.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Financial undertakings	1,625.22	126.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	1,625.22	126.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Non-financial undertakings	10,852.07	3,413.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Loans and advances	10,531.14	3,413.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Equity instruments	320.94	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Households	3,284.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which loans collateralized by residential immovable property	138.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Exposures included on a voluntary basis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Total GAR assets	15,761.75												-	-	-	-
21	Assets not covered for GAR calculation	262,997.95															
22	Central governments and Supranational issuers	36,004.62															
23	Central banks exposure	87,873.25															
24	Trading book	5,166.69															
25	Undertakings and entities not subject to CSRD disclosure obligations	114,687.20															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	106,049.76															
27	Loans and advances	90,725.09															
28	of which loans collateralized by commercial immovable property	31,432.32															
29	of which building renovation loans	-															
30	Debt securities	2,043.24															
31	Equity instruments	13,281.43															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	8,637.44															
33	Loans and advances	8,585.60															
34	Debt securities	-															
35	Equity instruments	51.84															
36	Derivatives	-															
37	On demand interbank loans	157.40															
38	Cash and cash-related assets	169.48															
39	Other categories of assets (e.g. Goodwill, commodities, etc.)	18,939.09															
40	Total assets	278,759.70															
Off-balance sheet exposures (stock) to undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	4,445.69	0.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	7,553.53	311.43	61.43	61.34	-	-	-	-	-	-	11.65	9.22	-	-	-	-
43	of which debt securities	3,494.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	of which equity instruments	4,059.03	311.43	61.43	61.34	-	-	-	-	-	-	11.65	9.22	-	-	-	-

Table EUTAX 4: Assets for the calculation of GAR for 2025 (for the turnover KPI of counterparties, new assets for the calculation of the GAR flow)

Disclosure reference date 2025																	
Flow (in CZK millions)		Total gross carrying amount	Of which taxonomy-eligible	Of which taxonomy-aligned										Non-assessed exposures			
				Breakdown per environmental objective						Of which Use of Proceeds (UoP)	Of which transitional	Of which enabling		Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution	
				Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)								
1	GAR – Covered assets in both numerator and denominator	6,419.60	1.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6,419.60	1.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	1,430.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Non-financial undertakings	14.00	1.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Loans and advances	14.00	1.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Households	4,974.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which loans collateralized by residential immovable property	98.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Exposures included on a voluntary basis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Total GAR assets	6,419.60												-	-	-	-
21	Assets not covered for GAR calculation	207,107.86															
22	Central governments and Supranational issuers	11,706.70															
23	Central banks exposure	87,873.25															
24	Trading book	5,166.89															
25	Undertakings and entities not subject to CSRD disclosure obligations	83,095.04															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	74,641.47															
27	Loans and advances	74,090.23															
28	of which loans collateralized by commercial immovable property	16,239.42															
29	of which building renovation loans	-															
30	Debt securities	500.00															
31	Equity instruments	51.24															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	8,453.57															
33	Loans and advances	8,453.57															
34	Debt securities	-															
35	Equity instruments	-															
36	Derivatives	-															
37	On demand interbank loans	157.40															
38	Cash and cash-related assets	169.48															
39	Other categories of assets (e.g. Goodwill, commodities, etc.)	18,939.09															
40	Total assets	213,527.46															
Off-balance sheet exposures (flow) to undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	2,112.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	2,819.28	3.81	0.26	0.26	-	-	-	-	-	-	-	0.15	-	-	-	-
43	of which debt securities	483.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	of which equity instruments	2,336.06	3.81	0.26	0.26	-	-	-	-	-	-	-	0.15	-	-	-	-

Table EUTAX 5: Assets for the calculation of GAR for 2025 (for the CapEx KPI of counterparties, new assets for the calculation of the GAR flow)

Disclosure reference date 2025																	
Flow (in CZK millions)		Total gross carrying amount	Of which taxonomy-eligible	Of which taxonomy-aligned										Non-assessed exposures			
				Breakdown per environmental objective						Of which Use of Proceeds (UoP)	Of which transitional	Of which enabling		Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution	
				Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)								
1	GAR – Covered assets in both numerator and denominator	6,419.60	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6,419.60	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Financial undertakings	1,430.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	1,430.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Non-financial undertakings	14.00	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Loans and advances	14.00	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Households	4,974.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which loans collateralized by residential immovable property	98.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Exposures included on a voluntary basis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Total GAR assets	6,419.60												-	-	-	-
21	Assets not covered for GAR calculation	207,107.86															
22	Central governments and Supranational issuers	11,706.70															
23	Central banks exposure	87,873.25															
24	Trading book	5,166.89															
25	Undertakings and entities not subject to CSRD disclosure obligations	83,095.04															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	74,641.47															
27	Loans and advances	74,090.23															
28	of which loans collateralized by commercial immovable property	16,239.42															
29	of which building renovation loans	-															
30	Debt securities	500.00															
31	Equity instruments	51.24															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	8,453.57															
33	Loans and advances	8,453.57															
34	Debt securities	-															
35	Equity instruments	-															
36	Derivatives	-															
37	On demand interbank loans	157.40															
38	Cash and cash-related assets	169.48															
39	Other categories of assets (e.g. Goodwill, commodities, etc.)	18,939.09															
40	Total assets	213,527.46															
Off-balance sheet exposures (flow) to undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	2,112.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	2,819.28	4.71	0.57	0.57	-	-	-	-	-	-	-	0.47	-	-	-	-
43	of which debt securities	483.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	of which equity instruments	2,336.06	4.71	0.57	0.57	-	-	-	-	-	-	-	0.47	-	-	-	-

Table EUTAX 6: Green Asset Ratio (GAR) – industry information for 2025 (for the turnover KPI of counterparties)

Disclosure reference date 2025										
Breakdown by sector – NACE 4 digits level (code and label) (in CZK millions)		Total gross carrying amount	Of which taxonomy-eligible	Of which taxonomy-aligned	Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	64.20 – Activities of holding companies	3,196.47	312.62	-	-	-	-	-	-	-
2	93.11 – Operation of sports facilities	2,797.97	857.04	-	-	-	-	-	-	-
3	68.20 – Renting and operating of own or leased real estate	2,469.80	2,469.80	-	-	-	-	-	-	-
4	11.02 – Production of grape wine	0.47	0.05	-	-	-	-	-	-	-
5	01.21 – Cultivation of vineyards	628.11	-	-	-	-	-	-	-	-
6	55.10 – Hotels and similar accommodation	1,121.88	788.36	-	-	-	-	-	-	-
7	69.20 – Accounting, bookkeeping and auditing activities; tax consultancy	461.23	182.29	-	-	-	-	-	-	-
8	46.90 – Non-specialized wholesale trade	27.02	2.64	-	-	-	-	-	-	-
9	25.40 – Manufacture of weapons and ammunition	147.54	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-
11	Nuclear activities	-	-	-						
12	Fossil gas activities	-	-	-						
13	Of which non-assessed exposures	-								

Table EUTAX 7: Green Asset Ratio (GAR) – industry information for 2025 (for the CapEx KPI of counterparties)

Disclosure reference date 2025										
Breakdown by sector – NACE 4 digits level (code and label) (in CZK millions)		Total gross carrying amount	Of which taxonomy-eligible	Of which taxonomy-aligned	Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	64.20 – Activities of holding companies	3,196.47	8.31	-	-	-	-	-	-	-
2	93.11 – Operation of sports facilities	2,797.97	63.21	-	-	-	-	-	-	-
3	68.20 – Renting and operating of own or leased real estate	2,469.80	2,469.80	-	-	-	-	-	-	-
4	11.02 – Production of grape wine	0.47	0.00	-	-	-	-	-	-	-
5	01.21 – Cultivation of vineyards	628.11	-	-	-	-	-	-	-	-
6	55.10 – Hotels and similar accommodation	1,121.88	753.16	-	-	-	-	-	-	-
7	69.20 – Accounting, bookkeeping and auditing activities; tax consultancy	461.23	182.28	-	-	-	-	-	-	-
8	46.90 – Non-specialized wholesale trade	27.02	0.07	-	-	-	-	-	-	-
9	25.40 – Manufacture of weapons and ammunition	147.54	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-
11	Nuclear activities	-	-	-						
12	Fossil gas activities	-	-	-						
13	Of which non-assessed exposures	-								

Table EUTAX 8: Key Performance Indicator (KPI) "Stock" for the Green Asset Ratio (GAR) for 2025 (for the turnover KPI of counterparties)

[illegible]

Table EUTAX 9: Key Performance Indicator (KPI) “Stock” for the Green Asset Ratio (GAR) for 2025 (for the CapEx KPI of counterparties)

[illegible]

Table EUTAX 12: Key Performance Indicator (KPI) “Stock” for off-balance sheet exposures for 2025 (for the turnover KPI of counterparties)

Disclosure reference date 2025													
% (compared to corresponding total off-balance sheet assets)		Taxonomy-eligible		Taxonomy-aligned									Non-assessed exposures
				Breakdown per environmental objective						Of which Use of Proceeds (UoP)	Of which transitional	Of which enabling	
				Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
	Financial guarantees (FinGuar KPI)	30.64 %	-	-	-	-	-	-	-	-			-
	Assets under management (AuM KPI)	33.06 %	8.81 %	8.81 %	-	-	-	-	-	-	3.05 %	0.27 %	

Table EUTAX 13: Key Performance Indicator (KPI) “Stock” for off-balance sheet exposures for 2025 (for the CapEx KPI of counterparties)

Disclosure reference date 2025													
% (compared to corresponding total off-balance sheet assets)		Taxonomy-eligible		Taxonomy-aligned									Non-assessed exposures
				Breakdown per environmental objective						Of which Use of Proceeds (UoP)	Of which transitional	Of which enabling	
				Climate Change Mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	36.79 %	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	31.86 %	6.28 %	6.27 %	-	-	-	-	-	-	1.19 %	0.94 %	-

Table EUTAX 14: Key Performance Indicator (KPI) "Flow" for off-balance sheet exposures for 2025 (for the turnover KPI of counterparties)

[illegible]

Table EUTAX 15: Key Performance Indicator (KPI) “Flow” for off-balance sheet exposures for 2025 (for the CapEx KPI of counterparties)

[illegible]

Table EUTAX 16: Summary of KPIs to be disclosed by investment firms under Article 8 Taxonomy Regulation for 2025

Disclosure reference date 2025									
			Total taxonomy-aligned assets (currency)		KPI	KPI	% coverage (over total assets) (%)	Non-assessed exposures (% of covered assets) (%)	Non-assessed exposures (% of covered assets) (%)
			Turnover-based	CapEx based	Turnover-based	CapEx based		Turnover-based	CapEx based
Main KPI (for dealing on own account)		Green asset ratio	-	-	-	-	6.57 %	-	-
			Total revenue from taxonomy-aligned services and activities (currency)		KPI	KPI	% coverage (over total assets) (%)	Non-assessed exposures (% of covered assets) (%)	Non-assessed exposures (% of covered assets) (%)
			Turnover-based	CapEx based	Turnover-based	CapEx based		Turnover-based	CapEx based
Main KPI (for services and activities other than dealing on own account)		KPI on revenue	-	-	-	-	-	-	-

Table EUTAX 17: KPI IF – dealing on own account services for 2025 (for the turnover KPI of counterparties)

[illegible]

Table EUTAX 18: KPI IF – dealing on own account services for 2025 (for the CapEx KPI of counterparties)

[illegible]

Table EUTAX 19: KPI of asset managers for 2025

Disclosure reference date: 2025			
	Exposures	%	In CZK millions
1	Total AUM	100 %	381,744.17
2	Assets covered by the KPI	2.64 %	10,087.74
	% of covered assets	% Turnover based	% CapEx based
3	Taxonomy-eligible	33.06 %	35.52 %
4	Nuclear activities	1.78 %	0.58 %
5	Fossil gas activities	5.66 %	4.16 %
6	Taxonomy-aligned	8.39 %	11.14 %
7	Undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	8.39 %	11.14 %
8	Of which non-financial undertakings	8.25 %	10.95 %
9	Of which financial undertakings	0.14 %	0.19 %
10	Other covered counterparties and real estate assets	-	-
11	Exposures included on a voluntary basis	-	-
12	Transitional activities	1.80 %	1.38 %
13	Enabling activity	0.74 %	2.56 %
14	Nuclear activities	1.78 %	0.58 %
15	Fossil gas activities	0.01 %	0.02 %
	Taxonomy-aligned per objective	% Turnover based	% CapEx based
16	Climate Change Mitigation (CCM)	8.19 %	11.06 %
17	Climate change adaptation (CCA)	0.20 %	0.07 %
18	Water and marine resources (WTR)	0.00 %	0.00 %
19	Circular economy (CE)	0.00 %	0.00 %
20	Pollution (PPC)	0.00 %	-
21	Biodiversity and ecosystems (BIO)	-	0.00 %
22	Non-assessed exposures	-	-
23	Exposures financing non-assessed non-material activities of counterparties	-	-
24	Non-assessed exposures considered non-material by the reporting entity	-	-
25	Exposures to counterparties reporting in accordance with Article 7(9) of this Regulation	-	-
	Breakdown of covered assets	%	In CZK millions
26	Undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	100.00 %	10,087.74
27	Of which non-financial undertakings	73.78 %	7,442.54
28	Of which financial undertakings	26.22 %	2,645.20
29	Other covered counterparties and real estate assets	-	-
30	Exposures included on a voluntary basis	-	-

Table EUTAX 20: Proportion of turnover, CapEx, OpEx from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities – disclosure covering 2025 (summary KPIs, in CZK millions)

[illegible]

Table EUTAX 21: Proportion of turnover from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities – disclosure covering 2025 (activity breakdown)

[illegible]

Table EUTAX 22: Proportion of CapEx from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities – disclosure covering 2025 (activity breakdown)

[illegible]

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON J&T BANKA, A.S. CONSOLIDATED SUSTAINABILITY STATEMENT

To the Shareholders of J&T BANKA, 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 2025 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 in subsection Information pursuant to Article 8 of EU Regulation 2020/852 within the environmental section of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852, resp. EU Regulation 2026/73 (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 inquiries 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* within the environmental section of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852, resp. Regulation 2026/73.

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

27 March 2026
Prague, Czech Republic

Works by Michal Škoda
were featured in the J&T Banka
Art Index Pop-up 2025 exhibition.



Works by Eva Koťátková
were featured in the J&T Banka
Art Index Pop-up 2025 exhibition.



39.98
billion CZK

OWNERS' EQUITY
ON A CONSOLIDATED BASIS



A work by Anna Hulačová
was featured in the J&T Banka
Art Index Pop-up 2025 exhibition.

(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 27 March 2026.

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 2025, 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 2025, 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 as applicable to audits of financial statements of public interest entities. 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 109 437 million and constituting 39% of total assets as of 31 December 2025. The associated expected credit losses ("ECL") were reported at CZK 3 773 million as of 31 December 2025.

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 and market data.

For ECLs calculated on a portfolio basis, we involved credit risk specialists 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. Additionally, we examined any significant overlays or in-model adjustments that management applied in addition to the ECLs calculated by the model at the credit portfolio level.

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.

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.

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.

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 for a three-year period (2024 – 2026). This is our second 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 27 March 2026 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 2025 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 2025 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

27 March 2026
Prague, Czech Republic

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

in millions of CZK	Note	2025	2024
Interest income calculated using effective interest rate method	6	12,723	18,308
Other interest income	6	456	405
Interest expense	7	(6,223)	(10,453)
Net interest income		6,956	8,260
Fee and commission income	8	5,168	3,632
Fee and commission expense	9	(594)	(451)
Net fee and commission income		4,574	3,181
Net income from trading and investments	10	2,280	1,102
Other operating income	11	277	231
Operating income		14,087	12,774
Personnel expenses	12	(2,311)	(2,057)
Depreciation and amortisation	25,26	(147)	(144)
Other operating expenses	13	(2,759)	(2,477)
Operating expenses		(5,217)	(4,678)
Profit before net change in allowances, provisions and income tax		8,870	8,096
Gain / (loss) from loans and other receivables	23,35	172	(254)
Net change in loss allowances for financial instruments	23	(1,077)	182
Profit before tax		7,965	8,024
Income tax	14	(1,457)	(1,718)
Profit for the period		6,508	6,306

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
Profit for the year attributable to:		
Shareholders of the parent company	6,498	6,307
Non-controlling interest	10	(1)
Profit for the period	6,508	6,306
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	(14)	12
Net change in expected credit losses	(67)	4
Related foreign exchange differences	(3)	-
Related tax	17	(4)
Foreign currency translation differences	(73)	68
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	(102)	6
Related tax	21	(1)
Revaluation of sold instruments	180	-
Other comprehensive income for the period, net of tax	(41)	85
Total comprehensive income for the period	6,467	6,391
Attributable to:		
Shareholders of the parent company	6,457	6,392
Non-controlling interest	10	(1)
Total comprehensive income for the period	6,467	6,391

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 2025

in millions of CZK	Note	31/12/2025	31/12/2024
Assets			
Cash and cash equivalents	16	88,878	118,631
Due from banks and other financial institutions	17	1,414	219
Positive fair value of derivatives	18	2,424	3,345
Investment securities for trading	19a	9,981	7,373
Investment securities measured at fair value through profit or loss	19b	14,307	10,844
Investment securities measured at fair value through other comprehensive income	19c	8,377	10,142
Investment securities at amortised cost	19d	35,629	29,154
- of which pledged as collateral (repurchase agreements)	20	-	4,724
Loans and advances to customers at amortised cost	21	109,437	110,575
Disposal groups held for sale	29	1,708	26
Current tax asset	14	554	353
Deferred tax asset	15	629	504
Investment property	24	516	525
Property, plant and equipment and intangible assets	25, 26	1,952	2,117
Goodwill	26	118	123
Other assets	28	5,300	23,759
Total assets		281,224	317,690
Liabilities			
Deposits and loans from banks	30	22,691	7,711
Negative fair value of derivatives	18	2,686	1,618
Deposits from customers	31	188,290	227,730
Issued investment securities	32	7,739	3,353
Subordinated debt	33	4,612	4,619
Liabilities associated with disposal groups held for sale	29	1,409	-
Current tax liability	14	208	118
Deferred tax liability	15	2	2
Provisions	35	2,108	1,928
Other liabilities	34	11,502	29,628
Total liabilities		241,247	276,707
Share capital	36	10,638	10,638
Retained earnings and other reserves	36	23,053	22,874
Other equity instruments	36	6,271	7,293
Equity		39,962	40,805
Non-controlling interest	37	15	178
Total equity		39,977	40,983
Total equity and liabilities		281,224	317,690

The notes set out on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

in millions of CZK	Share capital	Retained earnings
Balance as at 1 January 2025	10,638	19,882
Total comprehensive income for the period		
Profit for the period	-	6,498
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	-	-
Net change in expected credit losses	-	-
Related foreign exchange differences	-	-
Related tax	-	-
Foreign currency translation differences	-	-
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	-	-
Related tax	-	-
Revaluation of sold instruments	-	-
Other comprehensive income	-	-
Total comprehensive income for the period	-	6,498
Transactions recognised directly in equity		
Dividends paid	-	(5,800)
Payment of earnings from investment certificates	-	-
Transfer of share premium to capital funds	-	-
Redemption of investment certificates	-	-
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(519)
Effect of changes in the Group	-	-
Balance as at 31 December 2025	10,638	20,061

Further information about equity instruments is disclosed in note 36.

Capital funds	Perpetuity fund	Translation and revaluation reserve	Other equity instruments	Total	Non-controlling interest	Total equity
2,913	347	(268)	7,293	40,805	178	40,983
-	-	-	-	6,498	10	6,508
-	-	(14)	-	(14)	-	(14)
-	-	(67)	-	(67)	-	(67)
-	-	(3)	-	(3)	-	(3)
-	-	17	-	17	-	17
-	-	(73)	-	(73)	-	(73)
-	-	(102)	-	(102)	-	(102)
-	-	21	-	21	-	21
-	-	180	-	180	-	180
-	-	(41)	-	(41)	-	(41)
-	-	(41)	-	6,457	10	6,467
-	-	-	-	(5,800)	(1)	(5,801)
-	(500)	-	-	(500)	-	(500)
22	-	-	(22)	-	-	-
-	-	-	(1,000)	(1,000)	-	(1,000)
-	519	-	-	-	-	-
-	-	-	-	-	(172)	(172)
2,935	366	(309)	6,271	39,962	15	39,977

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

in millions of CZK	Share capital	Retained earnings
Balance as at 1 January 2024	10,638	18,564
Total comprehensive income for the period		
Profit for the period	-	6,307
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	-	-
Expected credit losses	-	-
Related tax	-	-
Foreign currency translation differences	-	-
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	-	-
Related tax	-	-
Other comprehensive income	-	-
Total comprehensive income for the period	-	6,307
Transactions recognised directly in equity		
Dividends paid	-	(4,300)
Payment of earnings from investment certificates	-	-
Redemption of investment certificates	-	-
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(670)
Revaluation surplus	-	(16)
Effect of changes in the Group and new companies within the Group	-	(3)
Balance as at 31 December 2024	10,638	19,882

The notes set out on the following pages form an integral part of these consolidated financial statements.

Capital funds	Perpetuity fund	Translation and revaluation reserve	Other equity instruments	Total	Non-controlling interest	Total equity
2,910	321	(353)	8,868	40,948	9	40,957
-	-	-	-	6,307	(1)	6,306
-	-	12	-	12	-	12
-	-	4	-	4	-	4
-	-	(4)	-	(4)	-	(4)
-	-	68	-	68	-	68
-	-	6	-	6	-	6
-	-	(1)	-	(1)	-	(1)
-	-	85	-	85	-	85
-	-	85	-	6,392	(1)	6,391
-	-	-	-	(4,300)	(2)	(4,302)
-	(644)	-	-	(644)	-	(644)
-	-	-	(1,575)	(1,575)	-	(1,575)
-	670	-	-	-	-	-
-	-	-	-	(16)	-	(16)
3	-	-	-	-	172	172
2,913	347	(268)	7,293	40,805	178	40,983

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

in millions of CZK	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		7,965	8,024
Adjustments for:			
Depreciation and amortisation	25,26	147	144
Loss from loans and other receivables	23,35	(250)	254
Net change in loss allowances for financial instruments	23	1,077	(182)
Change in other provisions		389	83
Change in revaluation of investment securities at fair value through profit or loss		(1,247)	(203)
Loss from subsidiaries sold	51	-	114
Net unrealised foreign exchange (gains) / losses		1,740	(357)
(Increase) / decrease in operating assets			
Due from banks and other financial institutions	17	(1,195)	(21)
Loans and other advances to customers		(2,614)	(9,306)
Investment securities measured at fair value through profit or loss		(5,066)	(2,119)
Net change in fair value of investment property and property, plant and equipment	25	(43)	13
Disposal groups held for sale		-	442
Other assets and accrued interest		18,757	(13,621)
Increase / (decrease) in operating liabilities:			
Deposits and loans from banks		15,284	(1,251)
Deposits from customers	31	(36,865)	9,893
Other liabilities and accrued interest		(18,603)	14,489
Net increase / (decrease) in fair values of derivatives			
Fair value of derivative instruments	18	1,989	675
Tax effect			
Income tax paid		(1,655)	(2,954)
Net cash flows from operating activities		(20,190)	4,117

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

in millions of CZK	Note	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment and intangible assets		(89)	(38)
Sale of property, plant and equipment, and intangible assets		20	104
Net cash flow from changes in the Group		183	-
Investment securities at amortised cost – sales		4,556	-
Investment securities at amortised cost – purchases		(11,500)	(24,484)
Investment securities at fair value through other comprehensive income – sales		2,307	3,994
Investment securities at fair value through other comprehensive income – purchases		(1,007)	(2,772)
Net cash flows used in investing activities		(5,530)	(23,196)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issued investment securities	38	7,524	24
Redemption of issued investment securities	38	(3,011)	(12)
Dividends paid	36	(5,801)	(4,302)
Distribution of income from other equity instruments	36	(500)	(644)
Redemption of investment certificates	36	(1,000)	(1,575)
Proceeds from subordinated debt issue	38	74	3,371
Repayment of subordinated debt	38	(186)	(22)
Lease liabilities paid	38	(51)	(51)
Net cash flows from financing activities		(2,951)	(3,211)
Increase / (decrease) in cash and cash equivalents		(28,671)	(22,290)
Effects of exchange rate fluctuations on cash and cash equivalents held		(390)	150
Reclassification of cash and cash equivalents to assets held for sale		(692)	-
Cash and cash equivalents at beginning of period	16	118,631	140,771
Cash and cash equivalents at end of period	16	88,878	118,631
Cash flows from operating activities include:			
Interest received		13,043	17,373
Interest paid		(5,597)	(7,654)
Interest paid – lease liabilities		(5)	(3)
Dividends received		12	60

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 27 March 2026.

Signed on behalf of the Board:

Ing. Michal Kubeš
Member of the Board of Directors

Ing. Jan Kotek
Member of the Board of Directors

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, described in the table below ("the Group") had on average 938 employees in 2025 (2024: 889). 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.

The companies included in the consolidated group as at 31 December 2025 (in millions of CZK):

Company	Country of incorporation	Share capital	% Shareholding	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	1,053	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 World Private Capital otevřený podílový fond	CR	-	34.85	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	-	89.76	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

^{*)} the company is classified as held for sale in accordance with IFRS 5 (see note 29)

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.

On 6 February 2025, the Group increased its share in J&T Leasingová společnost, a.s. through a contribution with a total nominal value of CZK 30 million in excess of contributions made by the shareholders in the share capital.

During 2025, the Group's share in the J&T ORBIT SICAV, a.s., fund decreased from 92.33% to 89.76% due to partial share repurchases by the fund.

During 2025, the Group acquired control of the J&T World Private Capital, otevřený podílový fond, through an interest of 34.85% and began to fully consolidate the fund.

In 2025, the interest held by the Group in the J&T NextGen otevřený podílový fond decreased from 24.95% as at 31 December 2024. Due to the decrease in the total economic interest in the fund, the Group no longer exercises control over the fund and no longer consolidates it.

The Group is actively negotiating the terms of a third-party capital entry into the subsidiary J&T banka d.d., whereby the Group would lose control over the company. The company is available for immediate sale and the completion of the transaction is highly probable from the perspective of IFRS criteria. For this reason, the subsidiary J&T banka d.d. is classified as a disposal group held for sale as at 31 December 2025. The transaction is expected to be completed during 2026.

The companies included in the consolidated group as at 31 December 2024 (in millions of CZK):

Company	Country of incorporation	Share capital	% Shareholding	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 SPOLOČNOST, 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

Effective as at 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. 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 the 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.

During 2025 and 2024, 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 2025 to 31 December 2025 ("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.

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.

Standards, amendments to the standards and interpretations effective for the first time for the period beginning 1 January 2025, which have been applied in the preparation of the Group's consolidated financial statements

Amendments to 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.

The amendments specify the conditions under which a given currency is exchangeable and how to determine the exchange rate if it is not.

These adjustments, effective for the first time for the year beginning 1 January 2025, did not have any material impact on the consolidated financial statements of the Group.

New standards, amendments to standards and interpretations not yet effective or not yet endorsed by the EU for the year ending 31 December 2025, which have not been applied in preparing these financial statements

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.

The Group expects the amendments not to have a significant effect on its consolidated financial statements.

Annual Improvements to IFRS Accounting Standards – Volume II

The process concerning the annual improvements to accounting standards according to the IASB deals with non-urgent, but necessary clarifications and amendments to IFRS. In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume II. Entities are obliged to implement these amendments for annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to IFRS Accounting Standards – Volume II include amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments aim to clarify the wording, correct minor unintended consequences, oversights or conflicts between requirements in the standards.

The Group expects the amendments not to have a significant effect on its consolidated financial statements.

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.

The Group evaluates the impact of IFRS 18 on its consolidated financial statements, while the impact is expected mainly on the presentation and the scope of disclosures.

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.

The Group expects the amendments not to have a significant effect on its consolidated financial statements.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The amendments require translation from a non-hyperinflationary functional currency to a hyperinflationary presentation currency using the closing rate. If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, the entity translates its financial performance and financial position into the presentation currency such that all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparative information are translated using the closing rate at the date of the most recent statement of financial position. An entity whose functional currency and presentation currency are currencies of hyperinflationary economies restates the comparative information of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy by applying the general price index to that foreign operation's comparative information. In addition, the amendments introduce additional disclosure requirements. The amendments have not yet been endorsed for use in the EU.

The Group expects the amendments not to have a significant effect on its consolidated financial statements.

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 standard has not yet been endorsed by the EU.

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 expects the amendments not to have a significant effect on its 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 or mutual 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 Group'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);
- Other business models:
 - › "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 that 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 cost and provided loans and receivables are derecognised on the date the Group sells 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 Group'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

- if the credit quality of the financial asset has significantly deteriorated and resulted in a credit loss or 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.

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 the 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 the 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 Group 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 POCL, 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 (LGD)

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 Group 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 it 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 Group 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)

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.

PD from	Mid PD from annual Moody's reports	PD to	Internal rating	External rating equivalent	Risk category
0.0000 %	0.0591 %	0.0974 %	1	A / A2	Low risk
0.0974 %	0.1605 %	0.2066 %	2	BBB / Baa2	Low risk
0.2066 %	0.2658 %	0.3715 %	3	BBB- / Baa3	Low risk
0.3715 %	0.5191 %	0.6239 %	4	BB+ / Ba1	Medium risk
0.6239 %	0.7496 %	1.0084 %	5	BB / Ba2	Medium risk
1.0084 %	1.3552 %	1.6173 %	6	BB- / Ba3	Medium risk
1.6173 %	1.9291 %	2.4108 %	7	B+ / B1	Medium risk
2.4108 %	3.0090 %	3.7682 %	8	B / B2	Medium risk
3.7682 %	4.7097 %	4.9434 %	9	B- / B3	Medium risk
4.9434 %	5.1880 %	6.1679 %	10	CCC+ / Caa1	High risk
6.1679 %	7.3187 %	11.6350 %	11	CCC / Caa2	High risk
11.6350 %	18.0026 %	99.9999 %	12	CCC- / Caa3	High risk
100.0000 %	100.0000 %	100.0000 %	13	D	Default

For debits and reverse repurchase agreements, 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.

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 $\pm 1\%$ 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 asset's original carrying amount 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.

The difference between the gross carrying amount of the financial asset before the change in the terms and conditions and the present value of the modified cash flows after the change is recorded as the effect of the modification of assets to the profit or loss.

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 separately shown 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 according to the maturity of the financial asset. 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 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 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
Vehicles	5 years
Office equipment, safe deposit boxes	3–10 years
Fixtures and fittings	3–5 years
Computer equipment (hardware)	3 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 and intangible assets 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 initially 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 related fees, transaction costs, discounts or premiums that are an integral part of the effective interest rate in compliance with IFRS 9. 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, and bonds measured at fair value through profit or loss 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 that does not form an integral part of the EIR 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, 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 across the Group's subsidiaries; therefore, segments are established based on the business activities of the individual companies. The Group's management thereby obtains information allowing the evaluation of the performance of individual segments.

In accordance with the requirements of IFRS 8, the Group structures its activities into the following business segments:

- corporate and investment banking;
 - › includes comprehensive financial services to corporate clients, assessment of the appropriate method of financing from acquisition, through project financing, real estate financing, issuance of investment instruments or other forms of financing according to clients' needs;
- private banking and asset management;
 - › represents the appreciation and protection of assets of both legal entities and individuals, with an emphasis on an individual approach, investments, portfolio management as well as specialised investment products and opportunities;
- other.

Within these segments, the Group offers clients products such as maintenance of current accounts, term deposits and escrow accounts, bank guarantees, and trading with financial instruments such as derivatives, securities, gold and others.

(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, Group 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 Tier1 capital. 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 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 2025, 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. In September 2025, 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 2024 (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 International Monetary Fund's projection of global macroeconomic development 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 affected by crisis (selected NACE sectors).

Mild Crisis PD: There are independent PDs generated for exposures found in fields affected by a milder crisis (selected NACE sectors).

The Group's highest exposure of its credit portfolio are to the Czech Republic (53%) and the Slovak Republic (11%) as at 31 December 2025. 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	Forecast of the Central Bank	Model output			
				5 % quantile	12.5 % quantile	25 % quantile	50 % quantile
CZE	2025	CNB	2.31	1.07	1.5	1.91	2.49
CZE	2026	CNB	2.45	(1.59)	(0.6)	0.42	1.79
CZE	2027	CNB	2.81	(2.29)	(1.15)	(0.04)	1.48
CZE	2028	CNB		(3.28)	(1.64)	(0.24)	1.7
CZE	2029	CNB		(3.13)	(1.73)	(0.26)	1.77
SVK	2025	NBS	0.8	(1.17)	(0.35)	0.45	1.53
SVK	2026	NBS	0.5	(2.71)	(1.66)	(0.63)	0.79
SVK	2027	NBS	2.1	(2.14)	(1.15)	(0.18)	1.16
SVK	2028	NBS		(3.11)	(1.46)	0.28	2.73
SVK	2029	NBS		(3.2)	(1.4)	0.25	2.73

Data sources:

Country	Central Bank	Data Source
CZE	Czech National Bank (CNB)	Monetary Policy Report
SVK	National Bank of Slovakia (NBS)	Economic and Monetary Developments

PD curves are updated continuously, whenever forecast of the country's National Bank changes.

ECL model (management overlays)

The Group applies management overlays through interventions in the PD model and uses them to correct the negative impacts described below on the PD model.

The Group's conservative approach to the economic outlook is based on a combination of heightened macroeconomic uncertainty and persistent geopolitical risks, which may have an indirect but significant impact on clients' financial situation. In particular, the Group takes into account the risk of a slowdown in economic activity, increased volatility of key macroeconomic variables and the possibility of a deterioration in the business environment due to geopolitical tensions, disruptions in supply chains and uncertain developments in external demand.

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 $\frac{1}{4}$ 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 (standard 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.). In particular, the Group identifies these sectors as having increased vulnerability to persistently high interest rates, inflationary pressures, energy price volatility, disruptions in supply and demand chains, and limited ability to pass on rising costs to final prices. These factors can lead to pressure on margins, deterioration in cash flow and consequently an increase in the probability of default, which justifies stricter PD settings for distressed industries. The division of sectors was approved by the relevant Group Committee.

A Mild Crisis set has been added to the original PD sets (standard and crisis). It is used for sectors where there has been or an improvement is expected in risk factors, and the Group no longer considers it necessary to keep these sectors among the crisis sectors. The set is also used for sectors where standard PDs have been applied so far, but risk factors have deteriorated or deterioration is expected.

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.

The division of sectors into Standard, Crisis and Mild Crisis is determined based on:

- four data series with assigned weights:
 - › Moody's default rate: 2024 (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 the approach described, sectors are divided into three categories according to risk level, and the corresponding PD set is used for each category. Recalibration is performed at least once a year based on current Moody's data and updates of expert assessment of sectors. In the event of market changes, the Group's Board of Directors and the Credit Risk Management Division Director may call for an update of the expert sector assessment.

The Group also applies a management overlay in the application of minimum LGD. Historically, at least the LGD for the third LGD scenario was applied when calculating ECL. Within the overlay, the final LGD is applied, i.e. if the resulting LGD calculated from the three LGD scenarios does not reach the minimum LGD level, the minimum LGD level is applied.

In 2025, the Group introduced an extended management overlay for the calculation of expected credit losses, which reflects the long-term slightly higher risk level of its portfolio compared to the market average. This set-up is fully in compliance with the Group's risk appetite, which allows a higher degree of tolerance to credit risk, and at the same time respects the principles of prudent banking, the requirements of International Financial Reporting Standards (IFRS 9) as well as the expectations of regulatory authorities. The introduction of the extended management overlay is currently associated with a lower ratio of defaulted loans compared to the market average in the Czech Republic.

The overlay is based on an analysis of historical data, on the basis of which the Group has set the following expectations:

- a ratio of defaulted loans (NPL ratio) of approximately 1 percentage point above the market average in the Czech Republic, which corresponds to the long-term historical deviation of the Group's portfolio;
- a coverage ratio at the level of 50 %, based on the historical development of this indicator within the Group's portfolio.

The value of this new management overlay is calculated as:

- a quantification of the difference between the expected amount of defaulted loans and the current amount of defaulted loans;
- a calculation of the overlay amount as the product of the size of the Group's portfolio, the difference between the expected amount of defaulted loans and the current amount of defaulted loans, and the expected coverage ratio.

This management overlay supports the Group's strategic focus on long-term stability, transparency and responsible risk management. It allows to respond flexibly to the development of the economic and geopolitical environment, anticipate potential risks and allocate appropriate expected credit losses to them in a timely manner. At the same time, it strengthens the Group's ability to absorb potential losses without negatively impacting its capital position, reputation or ability to meet regulatory limits.

The Group regularly determines the amount of this overlay and assigns it to individual loan receivables in Stage 1 and Stage 2. At the end of the reporting period, the overlay amount was updated and recalculated based on the relevant data and information available at that time.

The impact of the management overlays applied by the Group in the calculation of expected credit losses is as follows:

31/12/2025	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management overlays	2,222	36
Impact of the original management overlays	878	1
Impact of the newly implemented management overlays	876	-
Final amount of loss allowances and provisions after management overlays	3,976	37

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

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 advances to customers and Due from banks and other 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: The fair value of purchased and issued investment securities is based on inputs valid as at the date of the consolidated financial statements according to the hierarchical system for the valuation of financial instruments defined by IFRS 13.

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 subordinated bonds issued by the Group are based on inputs valid as at the date of the consolidated financial statements according to the hierarchical system for the valuation of financial instruments defined by IFRS 13.

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 and quantified 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.

4.2. Assessment of control over investment and mutual 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 2025:

- 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 World Private Capital 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.

As at 31 December 2024, the Group included the following funds in its consolidated group:

- 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.

Climate change

Significant sources of uncertainty arise in the area 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.

Geopolitical situation

The current geopolitical situation in the world contributes to an increase in uncertainty and is a source of increased volatility in financial markets. US tariff policy, the development of the war in Ukraine, the tension in the Middle East around Israel and Iran, and China's relations with Taiwan and its immediate surroundings represent the main geopolitical risks. All these uncertainties and factors may have an impact on interest rate risks, currency development (foreign exchange risks) and credit risks, including the prices of risk assets, which at the same time constitute the main risks and potential in the Group's performance in the following period. The Group constantly monitors these risks, evaluates their impact on its activities, and takes them into account in estimates and judgements in measuring the Group's assets and liabilities, as well as when evaluating financial results or preparing financial plans.

5. SEGMENT INFORMATION

(a) Business segments

Information on business segments is disclosed in note 3(n).

The business segment items are presented to the Group's management at a valuation consistent with the consolidated financial statements, i.e. they are based on the consolidated statement of profit or loss and the consolidated statement of financial position.

Interest income and expenses, and fee and commission income and expenses are reported on a net basis. These indicators are also regularly reported to the Group's management on a net basis. The Board of Directors assesses the performance of the segments and makes decisions on the resources to be allocated to the individual segments primarily on the basis of the net interest income generated by each segment.

Information on operating expenses, change in allowances and income tax is provided to management only for selected segments. Since it is not presented consistently for all reportable segments, these items are not included in the analysis of business segments.

The Group has no client, related party or group of related parties with whom the revenues from executed transactions would exceed 10 % of the Group's total revenues.

Transactions between segments within the Group are insignificant except for the Net fee and commission income position, which includes income and related expenses between the Corporate and Investment Banking and Private Banking and Asset Management segments in the amount of CZK 915 million (2024: CZK 699 million).

All transactions with business segments were carried out based on the arm's length principle.

In 2025, the Group revised and refined the names of the business segments according to which it structures and reports its activities in accordance with IFRS 8; segment information for 2024 was adjusted to correspond to the updated structure.

31/12/2025	Corporate and investment banking	Private banking and asset management	Other	Total
Net interest income	6,986	8	(38)	6,956
Net fee and commission income	1,421	3,153	-	4,574
Net income/(loss) from trading and investments	2,281	3	(4)	2,280
Other operating income	136	(12)	153	277
Operating income	10,824	3,152	111	14,087
Asset segment	275,455	3,335	2,434	281,224
Liability segment	238,544	1,672	1,031	241,247

31/12/2024	Corporate and investment banking	Private banking and asset management	Other	Total
Net interest income	8,262	14	(16)	8,260
Net fee and commission income	1,260	1,922	(1)	3,181
Net income/(loss) from trading and investments	1,067	30	5	1,102
Other operating income	98	(13)	146	231
Operating income	10,687	1,953	134	12,774
Asset segment	312,940	2,205	2,545	317,690
Liability segment	275,273	343	1,091	276,707

Basic indicators of entities within the Group are as follows:

31/12/2025	Average number of employees	Total assets	Income	Profit / (loss) before tax	Tax
AMISTA investiční společnost, a.s.	59	140	225	33	18
ATLANTIK finanční trhy, a.s.	17	115	67	7	(2)
J&T BANKA, a.s. (Slovak branch)	202	35,361	1,845	206	(88)
J&T BANKA, a.s. (German branch)	11	22,270	735	8	-
J&T banka d.d.*	53	1,704	83	(40)	-
J&T IB and Capital Markets, a.s.	5	535	171	63	(21)
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	9	120	149	42	(9)
J&T INVESTIČNÍ SPOLEČNOST, a.s.	55	2,469	2,840	1,601	(341)
J&T Leasingová společnost, a.s.	-	-	-	-	-
J&T ORBIT SICAV, a.s.	-	892	1	1	(1)
J&T RFI I., s.r.o.	-	27	2	(11)	-
J&T VENTURES I otevřený podílový fond	-	75	-	-	-
J&T World Private Capital otevřený podílový fond	-	1,145	-	-	-
Rustonka Development II s.r.o.	-	2,433	153	51	(14)

^{a)} the company is classified as held for sale in accordance with IFRS 5 (see note 29)

None of the entities within the Group was granted any public aid.

Stated accounting balances are before consolidation adjustments.

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. (Slovak branch)	195	44,896	2,576	739	(228)
J&T BANKA, a.s. (German branch)	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)

(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. Individual geographical segments revenue is derived primarily from interest margins on loans, fees for client asset management and trading with financial instruments. Expenses consist primarily of personnel expenses and IT outsourcing expenses.

Statement of financial position

31/12/2025	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash and cash equivalents	75,549	12,891	406	32	88,878
Due from banks and other financial institutions	26	193	1,195	-	1,414
Positive fair value of derivatives	438	-	1,986	-	2,424
Investment securities	43,857	14,131	10,228	78	68,294
Loans and other advances to customers	46,497	8,240	46,276	8,424*	109,437
Disposal groups held for sale	25	-	1,683	-	1,708
Total	166,392	35,455	61,774	8,534	272,155
Deposits and loans from banks	1,104	65	21,506	16	22,691
Negative fair value of derivatives	442	1	2,243	-	2,686
Deposits from customers	115,857	34,517	37,044	872	188,290
Issued investment securities	7,739	-	-	-	7,739
Subordinated debt	4,602	10	-	-	4,612
Liabilities associated with disposal groups held for sale	-	-	1,409	-	1,409
Total	129,744	34,593	62,202	888	227,427

⁴³⁾ The position covers especially expositions in Switzerland and Great Britain.

31/12/2024	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash and cash equivalents	110,146	7,695	775	15	118,631
Due from banks and other financial institutions	17	202	-	-	219
Positive fair value of derivatives	705	-	2,640	-	3,345
Investment securities	34,843	12,740	9,820	110	57,513
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
Negative fair value of derivatives	570	2	1,046	-	1,618
Deposits from customers	141,355	44,968	40,521	886	227,730
Issued investment securities	3,353	-	-	-	3,353
Subordinated debt	4,556	63	-	-	4,619
Total	151,078	45,733	47,318	902	245,031

⁴³⁾ The position covers especially expositions in Switzerland and Great Britain.

Income statement

31/12/2025	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	4,065	83	2,184*	624	6,956
Net fee and commission income	3,638	505	424	7	4,574
Net income from trading and investments	(134)	1,313	1,575**	(474)	2,280
Other operating income	262	-	16	(1)	277
Operating income	7,831	1,901	4,199	156	14,087
Personnel expenses	(1,823)	(370)	(118)	-	(2,311)
Depreciation and amortisation	(91)	(37)	(19)	-	(147)
Other operating expenses	(2,286)	(348)	(95)	(30)	(2,759)
Profit before allowances, provisions and income tax	3,631	1,146	3,967	126	8,870
Gain / (loss) from loans and other receivables	-	-	174	(2)	172
Net change in loss allowances for financial instruments	(200)	24	(933)	32	(1,077)
Profit before tax	3,431	1,170	3,208	156	7,965

*^{o)} The position covers especially expositions in Cyprus and Luxemburg.

**^{o)} The position covers especially expositions in Germany and Luxemburg.

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 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)
Depreciation and amortisation	(89)	(36)	(19)	-	(144)
Other operating expenses and losses from sale of subsidiaries	(2,010)	(323)	(117)	(27)	(2,477)
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	6,441	(453)	1,430	606	8,024

6. INTEREST INCOME

in millions of CZK	2025	2024
Interest income from:		
Loans and advances to customers	7,616	8,850
Resale agreements	3,259	7,957
Bonds and other fixed income securities	2,032	1,539
Due from financial institutions	272	367
Total	13,179	18,713

Interest income from "Loans and other advances to customers" includes fees associated with the provision of loans of CZK 153 million (2024: CZK 115 million), calculated using the effective interest rate method.

Interest income by asset classes:

in millions of CZK	2025	2024
Interest income from:		
Financial assets at fair value through other comprehensive income		
investment securities	422	618
Financial assets at amortised cost		
investment securities	1,154	525
resale agreements and due from financial institutions	3,532	8,324
Loans and other advances	7,615	8,841
of which:		
unpaid interest on impaired loans	78	184
forbearance	8	16
Interest income calculated using effective interest rate	12,723	18,308
Financial instruments at fair value through profit or loss		
investment securities for trading	456	395
finance lease	-	10
Other interest income	456	405
Total	13,179	18,713

7. INTEREST EXPENSE

in millions of CZK	2025	2024
Interest expense on:		
Deposits from customers	(5,120)	(9,291)
Issued investment securities	(384)	(258)
Subordinated debt	(307)	(155)
Repurchase agreements	(300)	(561)
Deposits and loans from banks	(99)	(175)
Lease liabilities	(13)	(13)
Total	(6,223)	(10,453)

Interest expense by liability classes:

in millions of CZK	2025	2024
Interest expense on:		
Financial liabilities at amortised cost	(6,223)	(10,453)
Total	(6,223)	(10,453)

8. FEE AND COMMISSION INCOME

The following overview presents the segmentation of fee and commission income by the Group's business segments from:

31/12/2025	Corporate and investment banking	Private banking and asset management	Total
Fee and commission income from:			
Assets management and other fees from funds	-	3,444	3,444
Issuance and administration of securities	899	-	899
Trading with financial instruments	371	-	371
Assets administration and custody	78	61	139
Lending activities	213	-	213
Other	39	63	102
Total	1,600	3,568	5,168

31/12/2025	Corporate and investment banking	Private banking and asset management	Total
Fee and commission income from:			
Assets management and other fees from funds	-	2,094	2,094
Issuance and administration of securities	814	-	814
Trading with financial instruments	304	-	304
Assets administration and custody	77	42	119
Lending activities	221	-	221
Other	38	42	80
Total	1,454	2,178	3,632

All fee and commission income is recognised in accordance with IFRS 15 Revenue from Contracts with Customers.

9. FEE AND COMMISSION EXPENSE

in millions of CZK	2025	2024
Fee and commission expense from:		
Assets management and other fees from funds	(397)	(255)
Issuance and administration of securities	(24)	(23)
Trading with financial instruments	(75)	(58)
Assets administration and custody	(49)	(40)
Lending activities	(7)	(22)
Other	(42)	(53)
Total	(594)	(451)

10. NET INCOME FROM TRADING AND INVESTMENTS

in millions of CZK	2025	2024
Realised and unrealised net income on securities	1,336	708
Net gain / (loss) from derivative operations	2,292	(177)
Net loss from financial liabilities at fair value	-	(3)
Net gain / (loss) from foreign currency translation	(1,361)	514
Dividend income	13	60
Total	2,280	1,102

The year-on-year increase in the position is driven mainly by the revaluation of the Group's derivative contracts, which largely covers the impact of the translation of the Group's foreign currency positions reflecting adverse currency movements during the year, by market volatility, which led to an increase in realised profit from securities transactions, and also by an increase in the fair value of investment securities mandatorily measured at fair value, which reflects the growth in the net present value of the underlying assets.

in millions of CZK	2025	2024
Financial assets and liabilities at fair value through profit or loss:		
investment securities for trading	2,308	(24)
investment securities mandatorily at fair value	1,279	557
financial liabilities at fair value	-	(3)
Financial assets at fair value through other comprehensive income		
investment securities	54	58
Foreign exchange differences	(1,361)	514
Total	2,280	1,102

11. OTHER OPERATING INCOME

in millions of CZK	2025	2024
Revenues from services and consulting	117	114
Profit from the partial repurchase of a share in the fund (note 1)	28	-
Revenue from the project office	27	24
Profit from the revaluation of gold bullion	23	11
Rental income from investment property	18	19
Revaluation of investment property	11	-
Other income	53	63
Total	277	231

Other income includes outsourcing revenue in the amount of CZK 10 million (2024: CZK 9 million) and a number of items that are separately immaterial.

12. PERSONNEL EXPENSES

in millions of CZK	2025	2024
Wages and salaries	(1,556)	(1,384)
Remuneration paid to key management personnel	(215)	(170)
Compulsory social security contributions	(433)	(401)
Other social expenses	(107)	(102)
Total	(2,311)	(2,057)
Average number of employees during the reporting period	938	889

As at 31 December 2025, the Board of Directors of the Group's parent company had 7 members (2024: 6).

13. OTHER OPERATING EXPENSES

in millions of CZK	2025	2024
Outsourcing expenses	(1,513)	(1,098)
Advertising expenses and promotion	(277)	(264)
Rental expense	(177)	(183)
of which recognition exemption applied under IFRS 16		
lease of low-value assets	(57)	(64)
short-term leases	(39)	(40)
Sponsorship and gifts	(131)	(124)
Expenses for the resolution fund and similar funds	(124)	(157)
Repairs and maintenance – IS, IT	(102)	(83)
Audit, legal and tax consulting	(99)	(83)
Audit and accounting services	(35)	(38)
Tax consulting	(6)	(6)
Other non-audit services	(58)	(39)
Consulting expenses	(49)	(67)
Communication expenses	(32)	(29)
Petty expenses	(17)	(16)
Transport and accommodation, travel expenses	(19)	(19)
Expenses related to leased premises	(9)	(12)
Expenses related to investment property	-	(18)
Loss from subsidiaries sold	-	(114)
Other operating expenses	(210)	(210)
Total	(2,759)	(2,477)

The year-on-year increase in outsourcing expenses reflects in particular one-off effects resulting from the reassessment of selected long-term contractual relationships, as well as increased expenses related to the operation and modernisation of the IT environment. Excluding these one-off effects, the year-on-year development of outsourcing expenses is in line with the Group's long-term operating trend.

Other operating expenses of CZK 210 million as at 31 December 2025 (2024: CZK 210 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 (2024: CZK 51 million), monetary payments of the interest part of the lease liability amounted to CZK 13 million (2024: CZK 13 million).

The loss on the sale of subsidiaries in 2024 represents the total impact of the sale of Rentalit s.r.o.

14. INCOME TAX

Income tax for 2025 was calculated in accordance with Czech tax regulations at the rate of 21% (2024: 21%). The corporate income tax rate for 2026 is expected to be 21%.

The Slovak branch pays tax in accordance with Slovak tax regulations. In 2025, the income tax rate in Slovakia was 24% (2024: 21%). In 2026, the rate is expected to 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.

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 2026, 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 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 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	2025	2024
Profit before tax	7,965	8,024
Statutory income tax rate	21 %	21 %
Income tax	1,673	1,685
Effect of tax rates in foreign jurisdictions	9	-
Non-taxable income	(297)	(205)
Impact of change in tax rate	-	(7)
Non-deductible expenses	31	78
Bank tax in Slovakia	41	169
Other	-	(2)
Total income tax	1,457	1,718
Effective tax rate	18.3 %	21.4 %
of which:		
Income tax expense/(benefit) – deferred	(95)	180
Income tax expense – current	1,552	1,538

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 income from government bonds, release/use of allowances for receivables and release/use of provisions.

15. DEFERRED TAX

The following deferred tax assets and liabilities have been recognised:

in millions of CZK	Deferred tax asset	
	31/12/2025	31/12/2024
Difference between the carrying and tax value of property, plant and equipment and intangible assets	29	39
Financial assets at fair value through other comprehensive income	55	31
Investment property	6	8
Lease liability	(38)	(49)
Allowances for loan receivables	151	136
Provision for bonuses and untaken holidays	326	296
Other	98	41
Net deferred tax asset	627	502

Total deferred tax of CZK 627 million (2024: CZK 502 million) comprises a net deferred tax liability of CZK 2 million (2024: CZK 2 million) and a net deferred tax asset of CZK 629 million (2024: CZK 504 million) arising at the level of the Bank and other companies of the Group.

The deferred tax asset or liability is calculated using the corporate income tax rate applicable for 2026, i.e. 21% for the Bank's headquarters and subsidiary companies in the Czech Republic, and 24% for the Bank's Slovak branch (2024: 21% and 24%).

The following table shows the reconciliation between the deferred tax charge and the change in deferred tax assets:

in millions of CZK	31/12/2025	31/12/2024
Net deferred tax asset at the beginning of the period	502	686
Deferred tax expense/(revenue) in the period (see note 14)	95	(180)
Change in deferred tax arising from revaluation difference recognised in equity	33	(5)
Foreign exchange differences	(3)	1
Net deferred tax asset at the end of the period	627	502

The Group does not record any deferred tax asset for unused tax loss carryforwards at the end of 2025 or 2024, respectively.

16. CASH AND CASH EQUIVALENTS

in millions of CZK	31/12/2025	31/12/2024
Loans to central banks – reverse repurchase agreements	71,587	106,225
Term deposits with central banks within 3 months	12,967	8,230
Obligatory minimum reserves in central banks	3,593	3,669
Current accounts with banks	534	274
Current accounts with central banks	27	17
Cash on hand	170	216
Total	88,878	118,631

Obligatory minimum reserves represent the required minimum reserves maintained by J&T BANKA, a.s., J&T BANKA, a.s. pobočka zahraničnej banky and J&T BANKA, a.s., Zweigniederlassung Deutschland, according to the rules of the relevant regulatory authorities.

The required minimum reserves of J&T BANKA, a.s., are calculated as 4% of primary deposits with a maturity of less than 2 years. Interest-bearing reserve requirements in the Czech Republic were abolished by the Czech National Bank with effect from 5 October 2023.

The required minimum reserves of 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 Group must maintain the obligatory minimum reserves in accounts with the respective central banks.

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	31/12/2025	31/12/2024
Subordinated loans to banks	194	202
Other receivables due from banks	1,221	18
Expected credit losses (note 23)	(1)	(1)
Total	1,414	219

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 2025 and 31 December 2024.

18. DERIVATIVES

31/12/2025	Notional amount buy	Notional amount sell	Positive fair value	Negative fair value
FX derivatives	174,558	(174,211)	2,290	(2,656)
Interest rate swaps	20,586	(20,586)	131	(30)
Other derivatives	3	-	3	-
Total	195,147	(194,797)	2,424	(2,686)

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)

All derivatives are classified as Level 2 according to the fair value hierarchy that reflects the significance of the inputs used in the valuation.

The positive and negative fair value of derivatives presented in the balance sheet also represents the gross amount and is not subject to offsetting.

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 2025, the Group reported cash collateral for derivative transactions of CZK 1,084 million (2024: CZK 1,781 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:

Buy	CZK	EUR	GBP	USD	Other
31/12/2025	45 %	37 %	1 %	11 %	6 %
31/12/2024	41 %	44 %	2 %	10 %	3 %
Sell	CZK	EUR	GBP	USD	Other
31/12/2025	30 %	50 %	3 %	11 %	6 %
31/12/2024	31 %	51 %	3 %	12 %	3 %

19. INVESTMENT SECURITIES

(a) Investment securities for trading

Fair value	31/12/2025	31/12/2024
Shares		
domestic	169	309
foreign	78	116
Bonds		
domestic	5,898	5,573
foreign	3,472	1,328
Allotment certificates		
domestic	347	42
foreign	17	5
Total	9,981	7,373
Shares		
listed	247	425
Bonds		
listed	9,370	6,901
Allotment certificates		
listed	347	42
not listed	17	5
Total	9,981	7,373
Shares		
financial institutions	53	187
corporate	190	238
insurance companies	4	-
Bonds		
government	6,962	5,123
financial institutions	1,569	1,074
corporate	839	704
Allotment certificates		
financial institutions	364	47
Total	9,981	7,373
Shares		
Level 1	242	424
Level 2	4	-
Level 3	1	1
Bonds		
Level 1	7,365	5,798
Level 2	1,482	901
Level 3	523	202
Allotment certificates		
Level 1	178	18
Level 2	186	29
Total	9,981	7,373

Foreign bonds as at 31 December 2025 included corporate bonds and bonds of financial institutions amounting to CZK 1,453 million (2024: CZK 1,032 million), mainly from companies based in Slovakia in the amount of CZK 981 million (2024: CZK 828 million) and Malta in the amount of CZK 472 million (2024: CZK 179 million).

(b) Investment securities mandatorily at fair value through profit or loss

Fair value	31/12/2025	31/12/2024
Shares		
foreign	1	-
Allotment certificates		
domestic	10,219	7,383
foreign	4,087	3,461
Total	14,307	10,844
Shares		
not listed	1	-
Allotment certificates		
not listed	14,306	10,844
Total	14,307	10,844
Shares		
financial institutions	1	-
Allotment certificates		
financial institutions	14,306	10,844
Total	14,307	10,844
Shares		
Level 3	1	-
Allotment certificates		
Level 1	-	172
Level 2	1,836	2,006
Level 3	12,470	8,666
Total	14,307	10,844

Foreign allotment certificates include the Malta certificates of CZK 3,052 million (2024: CZK 2,541 million) and Luxembourg allotment certificates of CZK 1,035 million (2024: CZK 920 million).

For investment securities mandatorily measured at fair value through profit or loss, there were no transfers between Level 1 and Level 2 as at 31 December 2025.

(c) Investment securities at fair value through other comprehensive income

Fair value	31/12/2025	31/12/2024
Shares and other equity instruments		
domestic	219	752
foreign	225	310
Bonds		
domestic	6,497	7,385
foreign	1,436	1,695
Total	8,377	10,142
Shares and other equity instruments		
listed	371	947
not listed	73	115
Bonds		
listed	7,933	8,736
not listed	-	344
Total	8,377	10,142
Shares and other equity instruments		
financial institutions	1	24
corporate	443	1,038
Bonds		
government	5,890	6,299
financial institutions	1,943	1,391
corporate	100	1,390
Total	8,377	10,142
Shares and other equity instruments		
Level 1	199	759
Level 2	172	188
Level 3	73	115
Bonds		
Level 1	5,890	6,397
Level 2	2,043	1,391
Level 3	-	1,292
Total	8,377	10,142

Foreign shares and other equity instruments in the portfolio as at 31 December 2025 included mainly the shares of Slovak companies of CZK 172 million (2024: CZK 196 million) and Swiss companies of CZK 51 million (2024: CZK 49 million).

Foreign bonds in the portfolio as at 31 December 2025 include the bonds of Slovak companies of CZK 799 million (2024: CZK 877 million) and the bonds of Maltese companies of CZK 637 million (2024: CZK 564 million).

For investment securities measured at fair value through other comprehensive income, there was a transfer of a bond in the amount of CZK 100 million from Level 1 to Level 2 in 2025 (2024: transfer of shares in the amount of CZK 49 million from Level 2 to Level 1).

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 other comprehensive income:

in millions of CZK	2025		2024	
	Travel and tourism	Dividends received	Fair value	Dividends received
Travel and tourism	172	-	188	-
Defence industry	147	5	396	15
IS/IT	72	-	82	-
Energy and manufacturing industry	52	1	363	16
Other	1	1	34	1
Total	444	7	1,063	32

In 2025, other equity instruments of CZK 708 million (2024: CZK 7 million) from the portfolio of the Group's financial assets were sold. The cumulative impact on other comprehensive income from these sold instruments was CZK 184 million (profit, 2024: loss of CZK 14 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	-	6,788	1,145	-	7,933
Total as at 31/12/2025	-	6,788	1,145	-	7,933
Stage 1	6,298	827	1,955	-	9,080
Total as at 31/12/2024	6,298	827	1,955	-	9,080

From 2025, the Group no longer uses the Very low risk category and newly reports bonds with the lowest risk according to internal rating groups in the Low risk category.

More detailed information on bonds as at 31 December 2025 and 31 December 2024, including expected credit losses and gross carrying amounts, are disclosed in notes 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	20,514	(6)	-	-	-	20,508
foreign/listed/government	15,138	(17)	-	-	-	15,121
Total as at 31/12/2025	35,652	(23)	-	-	-	35,629
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

Domestic government bonds with a gross value of CZK 20,154 million (2024: CZK 13,402 million) have maturities ranging from 2028 to 2036.

Foreign bonds represent Slovak government bonds with a gross value of CZK 10,130 million (2024: CZK 10,539 million) and Romanian government bonds with a gross value of CZK 5,009 million (2024: 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	Default	Total
Stage 1	-	35,629	-	35,629
Total as at 31/12/2025	-	35,629	-	35,629
Stage 1	23,933	5,221	-	29,154
Total as at 31/12/2024	23,933	5,221	-	29,154

From 2025, the Group no longer uses the Very low risk category and newly reports bonds with the lowest risk according to internal rating groups in the Low risk category.

(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/ 2025	Revalua- tion to OCI	Revalua- tion to profit or loss	Transfer from/(to) Level 3	Additions	Disposals*	Interest income	31/12/2025
Investment securities for trading								
shares	1	-	-	-	-	-	-	1
bonds	202	-	(13)	213	362	(252)	11	523
Investment securities mandatorily measured at fair value through profit or loss								
shares	-	-	-	-	1	-	-	1
allotment certificates	8,666	-	967	(3)	3,446	(606)	-	12,470
Investment securities measured at fair value through other comprehensive income								
shares and other equity instruments	115	(18)	-	-	-	(24)	-	73
bonds	1,292	(26)	-	-	-	(1,275)	9	-
Total	10,276	(44)	954	210	3,809	(2,157)	20	13,068

*^{o)} disposals of bonds represent sales or redemptions

Unrealised gains (losses) relating to investment securities measured at Level 3 amount to CZK 932 million as at the end of 2025 (2024: CZK 219 million). Realised loss from the sale of allotment certificates mandatorily measured at fair value through profit or loss amounts to CZK 76 million for 2025 (2024: CZK 0 million). Realised gain from the sale of bonds measured at fair value through other comprehensive income amounts to CZK 54 million for 2025 (2024: CZK 19 million).

in millions of CZK	01/ 01/ 2024	Revalua- tion to OCI	Revalua- tion to profit or loss	Transfer from/(to) Level 3	Additions	Disposals	Reclassi- fication	Interest income	31/12/2024
Investment securities for trading									
shares	1	-	-	-	-	-	-	-	1
bonds	833	-	(21)	(504)	152	(260)	-	2	202
Investment securities mandatorily measured at fair value through profit or loss									
shares	798	-	13	-	-	-	(811)	-	-
allotment certificates	7,138	-	266	(399)	2,967	(2,117)	811	-	8,666
Investment securities measured at fair value through other comprehensive income									
shares and other equity instru- ments	132	(21)	-	-	4	-	-	-	115
bonds	3,085	1	-	(1,315)	2,395	(2,886)	-	12	1,292
Total	11,987	(20)	258	(2,218)	5,518	(5,263)	-	14	10,276

The following table sets out information about significant unobservable inputs used as at 31 December 2025 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 31/12/2025	Range of estimates	FV sensitivity to inputs
bonds	discounted CF	Credit Spread Risk-free rate	523	0.5 % – 1.7 % 1.9 % – 3.7 %	A significant increase may result in lower FV
shares	discounted CF/ historical cost	Discount rates	75	8.8 % – 17 %	A significant increase may result in lower FV
		EBITDA growth coefficient		2 % – 4.1 %	A significant increase may result in higher FV
	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 FV of the instrument and vice versa
allotment certificates	net asset value	n/a	12,470	Investment based	A significant increase may result in higher FV

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	FV sensitivity to inputs
bonds	discounted CF	Credit Spread Risk-free rate	1,494	0.6 % – 2.3 % 2.17 % – 4 %	A significant increase may result in lower FV
shares	discounted CF/ historical cost	Discount rates	116	8.9 % – 16.6 %	A significant increase may result in lower FV
		EBITDA growth coefficient		2 % – 4.1 %	A significant increase may result in higher FV
	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 FV of the instrument and vice versa
allotment certificates	net asset value	n/a	8,666	Investment based	A significant increase may result in higher FV

The fair value of Level 3 debt investment securities is based on the interest rates assigned to individual bonds. For the sensitivity analysis to changes in interest rates, the CZK SWAP 6M and EUR SWAP 6M interest rates were used.

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 underlying assets of the funds consist mainly of real estate, development projects or ownership interests in companies.

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 2025:

in millions of CZK	+1 bps	-1 bps	+200 bps	-200 bps
Fixed bonds	(0.06)	0.06	(20.04)	7.10
Variable bonds	-	-	(0.38)	0.37
Zero-coupon bonds	(0.02)	0.02	(4.06)	4.34
Total bonds	(0.08)	0.08	(24.48)	11.81

The impact of interest rate changes on the calculation of fair values of investment securities as at 31 December 2024 is shown in the following table:

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 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 unobservable inputs used on the calculation of fair values is shown below:

in millions of CZK	Effect on profit or loss		Effect on other comprehensive income	
	Increase	Decrease*	Increase	Decrease*
Bonds 2025				
change in risk-free rates by 1 bps	-	-	-	-
change in risk-free rates by 200 bps	(24)	12	-	-
change in credit markups by 100 bps	(12)	-	-	-
Shares 2025				
change in discount rates by 1 pp	(1)	1	-	-
change in EBITDA by 5 pp	-	-	-	-
change in the price by external investors in the next investment round by 5 pp	-	-	4	(4)
Bonds 2024				
change in risk-free rates by 1 bps	-	-	-	-
change in risk-free rates by 200 bps	(6)	3	(16)	16
change in credit markups by 100 bps	(2)	-	(44)	-
Shares 2024				
change in discount rates by 1 pp	(1)	2	-	-
change in EBITDA by 5 pp	1	(1)	-	-
change in the price by external investors in the next investment round by 5 pp	-	-	6	(6)

^{*)} 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 2025 and 31 December 2024, 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)	70,230	71,587	up to 1 month	71,637
Loans and other advances to customers (note 21)	97	49	up to 1 month	58
Loans and other advances to customers (note 21)	8,007	1,535	up to 3 months	1,554
Total as at 31 December 2025	78,334	73,171		73,249

The gross amount of reported reverse repurchase agreements corresponds to the net amount recognized in the statement of financial position. Of the total fair value of assets received as collateral under reverse repurchase agreements, a portion of CZK 22,000 million was further used as collateral provided under repo agreements as at 31 December 2025 (note 20b).

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

(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)	10,544	10,011	up to 1 month	10,025
Loans from banks (note 30)	11,456	10,501	up to 3 months	10,547
Total as at 31 December 2025	22,000	20,512		20,572
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

21. LOANS AND OTHER ADVANCES TO CUSTOMERS AT AMORTISED COST

31/12/2025	Stage 1	Stage 2	Stage 3	POCI	Total
Loans and advances to customers and overdraft	90,217	8,249	2,498	229	101,193
Receivables from reverse repurchase agreements with customers	1,584	-	-	-	1,584
Margin lending (debits)	10,232	-	-	-	10,232
Receivables from provided finance leases	-	-	174	-	174
Other receivables to customers	-	1	24	2	27
Gross carrying amount	102,033	8,250	2,696	231	113,210
ECL	(1,586)	(440)	(1,780)	33	(3,773)
Net carrying amount	100,447	7,810	916	264	109,437

31/12/2024	Stage 1	Stage 2	Stage 3	POCI	Total
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 to customers	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

Details of changes in gross carrying amounts of loans as well as movements in ECLs for 2025 and 2024 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) 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 2025	99,666	10,702	3,347	250	113,965
Transfers:					
transfers to Stage 1	24	(24)	-	-	-
transfers to Stage 2	(1,819)	1,819	-	-	-
transfers to Stage 3	(964)	(27)	991	-	-
Partial repayment of the principal / drawing of loan during the reporting period (-/+)	3	(758)	(12)	(13)	(780)
Movement in interest – accrued less paid (except for full repayment)	(107)	5	(3)	-	(105)
Increase due to origination and acquisition – gross	45,185	-	-	3	45,188
Financial assets derecognised during the period	(37,711)	(3,135)	(911)	-	(41,757)
Write-off and sale of receivables	-	-	(546)	-	(546)
Changes due to modification without derecognition (net)	84	22	(14)	-	92
Transfer to disposal groups held for sale	(499)	(29)	(107)	-	(635)
Foreign exchange rate movements	(1,829)	(325)	(49)	(9)	(2,212)
Total as at 31 December 2025	102,033	8,250	2,696	231	113,210

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

(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 2025	9,080	-	-	-	9,080
Movement in interest – accrued less paid (except for full repayment)	62	-	-	-	62
Increase due to origination and acquisition – gross	1,006	-	-	-	1,006
Financial assets derecognised during the period	(1,773)	-	-	-	(1,773)
Fair value revaluation to OCI	85	-	-	-	85
Disposal groups held for sale	(352)	-	-	-	(352)
Foreign exchange rate movements	(175)	-	-	-	(175)
Total as at 31 December 2025	7,933	-	-	-	7,933

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	-	-	-
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)
Fair value revaluation to OCI	(71)	(9)	-	-	(80)
Foreign exchange rate movements	74	24	-	-	98
Total as at 31 December 2024	9,080	-	-	-	9,080

(c) Investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	29,176	-	-	-	29,176
Movement in interest – accrued less paid (except for full repayment)	(203)	-	-	-	(203)
Increase due to origination and acquisition – gross	12,501	-	-	-	12,501
Financial assets derecognised during the period	(5,236)	-	-	-	(5,236)
Foreign exchange rate movements	(586)	-	-	-	(586)
Total as at 31 December 2025	35,652	-	-	-	35,652

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

23. EXPECTED CREDIT LOSSES

(a) Cash, cash equivalents and due from banks and other financial institutions

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	1	-	-	-	1
Total as at 31 December 2025	1	-	-	-	1

in millions of CZK	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

(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 2025	853	388	2,182	(33)	3,390
Transfers:					
transfers to Stage 2	(51)	51	-	-	-
transfers to Stage 3	(18)	(27)	45	-	-
Net change in credit risk	(225)	(1)	922	(1)	695
Changes due to modification without derecognition	91	22	(14)	-	99
Changes due to model update	693	96	-	-	789
New financial assets originated or purchased	438	-	-	-	438
Unwind of discount	-	-	(14)	-	(14)
Financial assets derecognised during the period	(161)	(65)	(694)	-	(920)
Use of allowances	-	-	(546)	-	(546)
Transfer to disposal groups held for sale	(5)	(2)	(50)	-	(57)
Foreign exchange rate movements	(29)	(22)	(51)	1	(101)
Total as at 31 December 2025	1,586	440	1,780	(33)	3,773

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

Use of allowances for the year ended 31 December 2025 in the total amount of CZK 546 million (2024: CZK 134 million) includes the use of an allowance to cover the loss from sold receivables of CZK 546 million (2024: CZK 162 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 2025	84	-	-	-	84
Net change in credit risk	(44)	-	-	-	(44)
New financial assets originated or purchased	12	-	-	-	12
Financial assets derecognised during the period	(35)	-	-	-	(35)
Foreign exchange rate movements	(4)	-	-	-	(4)
Total as at 31 December 2025	13	-	-	-	13

The balance of CZK 13 million is already net of the deferred tax effect of CZK 3 million (see note 15).

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).

(d) Investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	21	-	-	-	21
Net change in credit risk	2	-	-	-	2
New financial assets originated or purchased	1	-	-	-	1
Foreign exchange rate movements	(1)	-	-	-	(1)
Total as at 31 December 2025	23	-	-	-	23

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

(e) Financial commitments and guarantees

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	34	38	75	15	162
Transfers					
transfers to Stage 2	(1)	1	-	-	-
Net change in credit risk	(123)	(6)	(16)	-	(145)
Changes due to model update	74	10	-	-	84
New financial assets originated or purchased	169	-	-	2	171
Financial assets derecognised during the period	(3)	(3)	(53)	-	(59)
Transfer to disposal groups held for sale	(1)	-	-	-	(1)
Foreign exchange rate movements	(2)	(2)	(6)	-	(10)
Total as at 31 December 2025	147	38	-	17	202

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

(f) Other assets

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	-	3	23	-	26
Transfers:					
transfers to Stage 3	-	(31)	31	-	-
Net change in credit risk	-	-	(3)	-	(3)
New financial assets originated or purchased	-	31	-	-	31
Write-offs and use of allowances	-	-	(29)	-	(29)
Transfer to disposal groups held for sale	-	(2)	-	-	(2)
Total as at 31 December 2025	-	1	22	-	23

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

24. INVESTMENT PROPERTY

Investment property as at 31 December 2025 include a building of Rustonka Development II s.r.o. totalling CZK 516 million (2024: Rustonka Development II s.r.o.; CZK 524 million). In 2025 and 2024, 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 31/12/2025	Estimated price	FV sensitivity to inputs
Investment property	sales comparison approach	Price per sq. m	516	CZK/m ² 118,942	A significant movement may increase/decrease the FV of an instrument

Type of asset	Valuation technique	Significant unobservable input	Fair value 31/12/2024	Estimated price	FV sensitivity to inputs
Investment property	sales comparison approach	Price per sq. m	525	CZK/m ² 120,694	A significant movement may increase/decrease the FV of an instrument

The expected impact of changes in unobservable inputs does not have a significant impact on the fair value of investment property.

in millions of CZK	2025	2024
Total as at 1 January	525	601
Transfer to property, plant and equipment	-	(70)
Additions	1	1
Transfer to disposal groups held for sale	(1)	-
Revaluation (note 13)	11	(18)
Effects of movements in foreign exchange	(20)	11
Total as at 31 December	516	525

Investment property was fully insured as at 31 December 2025 and 31 December 2024, respectively.

Rental income from investment property of CZK 18 million (2024: CZK 19 million) was reported in Other operating income. Operating expenses for the administration of investment property of CZK 2 million (2024: CZK 2 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		Total
			Land and buildings	Equipment – cars	
Acquisition cost					
1 January 2024	1,816	268	428	22	2,534
Additions	2	13	3	1	19
Disposals	-	(23)	-	(10)	(33)
Transfer from 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
Acquisition cost					
1 January 2025	1,906	262	451	23	2,642
Additions	5	31	16	3	55
Disposals	(1)	(7)	(8)	(4)	(20)
Change due to modification of IFRS 16	-	-	34	2	36
Effects of movements in foreign exchange	(70)	(7)	(14)	-	(91)
Transfer to disposal groups held for sale	(4)	(10)	(51)	(10)	(75)
31 December 2025	1,836	269	428	14	2,547
Accumulated depreciation					
1 January 2025	170	151	230	11	562
Additions	37	33	51	4	125
Disposals	-	(2)	(5)	(5)	(12)
Effects of movements in foreign exchange	(6)	(5)	(6)	-	(17)
Transfer to disposal groups held for sale	(5)	(4)	(14)	-	(23)
31 December 2025	196	173	256	10	635
Net book value					
31 December 2024	1,736	111	221	12	2,080
31 December 2025	1,640	96	172	4	1,912

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 2024	208	149	291	648
Additions	16	2	-	18
Disposal due to sale of subsidiaries	(4)	-	(3)	(7)
Disposals	(90)	-	-	(90)
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
Acquisition cost				
1 January 2025	132	153	288	573
Additions	22	5	-	27
Disposals	(4)	-	-	(4)
Effects of movements in foreign exchange	(2)	-	-	(2)
Transfer to disposal groups held for sale	(34)	(5)	(5)	(44)
31 December 2025	114	153	283	550
Amortisation and impairment losses				
1 January 2025	101	147	165	413
Additions	16	6	-	22
Disposals	(2)	-	-	(2)
Effects of movements in foreign exchange	(2)	-	-	(2)
Transfer to disposal groups held for sale	(34)	(5)	-	(39)
31 December 2025	79	148	165	392
Carrying amount				
31 December 2024	31	6	123	160
31 December 2025	35	5	118	158

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, as at 31 December 2025 and 2024, 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 as at 31 December 2025 and 2024, respectively.

Finance leases

The Group provides 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	31/12/2025
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	31/12/2024
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)

28. OTHER ASSETS

in millions of CZK	31/12/2025	31/12/2024
Receivables from customers from securities trading	1,550	20,936
Advance payments – other	1,946	1,232
Prepayments and accrued income	1,152	816
Other trade receivables	576	708
Gold	57	45
Other receivables	42	24
Restricted cash	-	24
Expected credit losses on other assets	(23)	(26)
Total	5,300	23,759

Receivables from customers from securities trading decreased as at 31 December 2025 due to a lower volume of customer trades over the year-end. Changes in allowances for other assets are disclosed in note 23.

29. DISPOSAL GROUPS HELD FOR SALE

in millions of CZK	31/12/2025	31/12/2024
Cash and cash equivalents	692	-
Investment securities measured at fair value through other comprehensive income	352	-
Loans and advances to customers at amortised cost	578	-
Goodwill	5	-
Investment property	1	-
Property, plant and equipment and intangible assets	50	-
Disposal groups held for sale	26	26
Other assets	4	-
Total	1,708	26
Deposits and loans from banks	304	-
Deposits from customers	1,046	-
Provisions	9	-
Other liabilities	50	-
Total	1,409	-
Net assets associated with the disposal group attributable to the shareholders of the parent company	299	-
Total net assets associated with the disposal group	299	26
Revaluation reserve for financial assets at FVOCI	25	-
Provisions attributable to the disposal group held for sale	25	-

The Group is in the process of preparing for the entry of a strategic partner into J&T banka d.d., which will result in a decrease in the Group's share to 50% and the loss of exclusive control over this subsidiary. As at 31 December 2025, the Group recognized J&T banka d.d. as a disposal group held for sale in accordance with IFRS requirements, as the company is available for immediate sale and the completion of the transaction is highly probable from the perspective of IFRS criteria. The transaction is subject to the approval of the relevant regulatory authorities, which have been informed of the intention. The transaction is expected to be completed during 2026.

J&T banka d.d. has been reported within the "Corporate and investment banking" business segment, it does not represent a separate major line of business of the Group and was therefore not classified as a discontinued operation.

Immediately prior to the J&T banka d.d.'s classification as a disposal group held for sale, the carrying amount for significant items of property, plant and equipment was estimated and no impairment loss was identified, as the carrying amount did not exceed the fair value less costs to sell. As at 31 December 2025, no additional impairment was identified because the carrying amount of the disposal group did not fall below its fair value less costs to sell.

30. DEPOSITS AND LOANS FROM BANKS

in millions of CZK	31/12/2025	31/12/2024
Loans from banks – repurchase agreements (note 20)	20,512	4,210
Deposits from banks	2,179	3,501
Total	22,691	7,711

Deposits from banks include current deposits, term deposits and other financial liabilities.

31. DEPOSITS FROM CUSTOMERS

in millions of CZK	31/12/2025	31/12/2024
Term deposits and escrow accounts	150,221	189,903
Current accounts	38,069	37,807
Other liabilities	-	20
Total	188,290	227,730

32. ISSUED INVESTMENT SECURITIES

in millions of CZK	31/12/2025	31/12/2024
Investment securities issued at amortised cost	7,721	3,340
Issued investment securities at fair value through profit or loss	18	13
Total	7,739	3,353

On 28 May 2025, the Bank issued 300 000 pieces of bonds with nominal value of EUR 1 000 per piece, with ISIN XS3044417981. These are Eurobonds under the Bank's international emission program in the amount of EUR 300 million maturing as at 28 May 2031 with a coupon of 4.5 % p.a. The Bank has an early repayment option on 28 May 2030. The issued bonds are part of the Bank's so-called eligible liabilities.

In 2025, the Bank redeemed EUR 120 million of Eurobonds with ISIN XS2705065188 early.

Details of the estimated fair value of issued investment securities are described in note 42.

33. SUBORDINATED DEBT

in millions of CZK	31/12/2025	31/12/2024
Subordinated term deposits	2,105	2,107
Subordinated bonds issued	2,507	2,512
Total	4,612	4,619

in millions of CZK	2025	2024
Interest expense for subordinated debt:	307	155
of which interest paid	202	143

On 4 December 2024, the Bank 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 Czech National Bank approved the subordinated debt as a part of the capital for regulatory purposes.

34. OTHER LIABILITIES

in millions of CZK	31/12/2025	31/12/2024
Payables to customers from securities trading	7,901	27,136
Accruals and deferred income	1,574	1,448
Trade payables	264	66
Payables to employees	72	76
Social security liabilities	33	34
Lease liabilities	183	238
up to 1 year	53	66
over 1 year	130	172
Other tax liabilities	213	310
Financial liabilities at fair value through profit or loss	717	82
Other liabilities	545	238
Total	11,502	29,628

Payables to customers from securities trading decreased at the end of 2025 due to a lower volume of customer trades over the year-end.

Accruals and deferred income primarily consist of payables for outsourcing IT services of CZK 1,109 million (2024: CZK 863 million).

35. PROVISIONS

in millions of CZK	31/12/2025	31/12/2024
Provision for employee bonuses	1,573	1,419
Provision for off-balance sheet items (loan commitments, guarantees)	202	162
Stage 1	147	34
Stage 2	38	37
Stage 3	-	75
POCI	17	16
Provision for untaken holiday	112	82
Other provisions	221	265
Total	2,108	1,928

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. The Group'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 2025, the Group created other provisions of CZK 210 million for onerous contracts.

In 2024, the Group created a long-term provision of CZK 252 million due to a potential risk arising from a potential dispute related to the Group's credit exposure; the provision was recorded under other provisions. In 2025, the performance was realised and CZK 75 million was used to pay the performance, while the remaining provision portion was released.

in millions of CZK	Balance as at 01/01/2025	Creation	Use	Changes due to model update	Foreign exchange differences	Balance as at 31/12/2025
Employee bonuses	1,419	1,654	(1,486)	-	(14)	1,573
Off-balance sheet items	162	171	(205)	84	(10)	202
Untaken holiday	82	83	(52)	-	(1)	112
Other provisions	265	215	(255)	-	(4)	221
Total	1,928	2,123	(1,998)	84	(29)	2,108

in millions of CZK	Balance as at 01/01/2024	Creation	Use	Foreign exchange differences	Balance as at 31/12/2024
Employee bonuses	1,310	1,185	(1,079)	3	1,419
Off-balance sheet items	221	90	(57)	(92)	162
Loyalty programmes customers	27	-	(27)	-	-
Untaken holiday	81	64	(63)	-	82
Loyalty programmes employees	5	5	(10)	-	-
Other provisions	8	259	(2)	-	265
Total	1,652	1,603	(1,238)	(89)	1,928

36. EQUITY

(a) Share capital

The share capital has been fully paid up and consists of:	31/12/2025	31/12/2024
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, a General Meeting is not held and the shareholder acts 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 Bank'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 2025, retained earnings amounted to CZK 20,061 million (2024: CZK 19,882 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 objective is 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.

The sole shareholder decided at the Annual General Meeting on 12 May 2025 to pay out dividends from retained earnings in the total amount of CZK 5,800 million. Dividends were paid out in the amount of CZK 545.2088 per ordinary share of nominal value CZK 1 thousand and in the amount of CZK 0.7796 per ordinary share of nominal value CZK 1.43. (2024: dividend of CZK 2,800 million, in the amount of CZK 263.2042 per share with a nominal value of CZK 1 thousand and in the amount of CZK 0.3764 per share with a nominal value of CZK 1.43; dividend of CZK 1,500 million, in the amount of CZK 141.0023 per share with a nominal value of CZK 1 thousand and in the amount of CZK 0.2016 per share with a nominal value of CZK 1.43).

The allocation of the profit for 2025 will be approved at the Annual 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 Annual 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 well as the special-purpose Perpetuity fund designated for the payment of revenue from subordinated unsecured income certificates.

Contribution to other capital funds

As at 31 December 2025, contribution to other capital funds amounted to CZK 2,935 million (2024: CZK 2,913 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 2025, the Group transferred another CZK 519 million (2024: CZK 670 million) within the distribution of profit for 2024. 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 2025, revenue of CZK 500 million (2024: CZK 644 million) was distributed from this fund. As at 31 December 2025, the special-purpose capital fund for the payment of revenue from certificates amounted to CZK 366 million (2024: CZK 347 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 fair value through other comprehensive income;
- 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 2025, amounting to CZK 309 million (2024: negative CZK 268 million).

(c) Other equity instruments

As at 31 December 2025, the volume of issued certificates was CZK 6,271 million (2024: CZK 7,293 million).

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

Certificates as at 31/12/2025

Name of certificate	ISIN	Issue date	Currency	Interest rate	Nominal value	Subscribed issue volume
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 30 June 2025, the Czech National Bank 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: CZ0003704413, in the total amount of CZK 1,000 million, as well as consent to the disposal of share premium at the amount of CZK 17 million for ISINs CZ0003704421 and CZ0003704249. 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: CZ0003704413 were redeemed on 30 September 2025 in the amount of CZK 1,000 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

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.

37. NON-CONTROLLING INTEREST

	2025	2024
J&T INVESTIČNÍ SPOLEČNOST, a.s.	-	172
AMISTA investiční společnost, a.s.	15	6
Total	15	178

During 2025, the Group's share in J&T NextGen otevřený podílový fond held through J&T INVESTIČNÍ SPOLEČNOST, a.s. decreased, and the Group deconsolidated this fund. Other non-controlling interests were immaterial as at 31 December 2025 and 31 December 2024, 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 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

in millions of CZK	Subordinated debt	Lease liabilities	Issued investment securities
Balance as at 1 January 2025	4,619	238	3,349
Changes in financial cash flows			
Repayment of subordinated debt	(186)	-	(3,011)
Issue of debt	74	-	7,524
Lease liabilities paid	-	(51)	-
Total changes in financial cash flows	(112)	(51)	4,513
Foreign exchange difference	-	(8)	(247)
Other changes	-	4	2
Related changes			
Interest expense	307	13	384
Interest paid	(202)	(13)	(262)
Total related changes	105	-	122
Balance as at 31 December 2025	4,612	183	7,739

Other changes in the lease liability include new lease contracts (note 27) and the effects of lease modification.

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:

2025	Stage 1	Stage 2	Stage 3	POCI	Total
Unused credit lines	5,961	229	-	3	6,193
Granted guarantees	3,476	656	-	23	4,155
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

40. ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

in millions of CZK	31/12/2025	31/12/2024
Assets under management		
Assets in own-managed funds	381,744	247,433
Assets under investment management with right of disposal	5,780	4,734
Assets under administration		
Assets received in administration	256,191	240,348
Total	643,715	492,515
<i>Of which Assets under administration entrusted to third parties</i>	<i>64,216</i>	<i>61,226</i>

The year-on-year growth in assets under management is aligned with the Group'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 using common valuation techniques (e.g. pricing models with market inputs as available), respectively.

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 31/12/2025	I.	II.	III.	IV.	V.	Total
Receivables	3,180	117	4,437	240	2,287	10,261
Liabilities	62	218	3,331	1	1,276	4,888
Granted guarantees	-	-	-	-	45	45
Received guarantees	-	-	1,212	-	237	1,449
Provided loan commitments	106	48	15	-	153	322
Received collaterals	-	24	717	-	495	1,236
Profit / (loss) items						
Expenses	(1,112)	(4)	(1,557)	-	(292)	(2,965)
Income	1,000	6	332	17	376	1,731

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

Receivables from related parties consist primarily of loans and overdrafts. The allowance against receivables from related parties is not presented separately due to its immaterial value. 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	2025	2024
Provided loans	278	477
Deposits received	69	250

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 2025 amounted to CZK 594 million (2024: CZK 549 million).

The loans provided to key management personnel and Bank's employees were provided on an 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:

31/12/2025	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Financial assets					
Cash and cash equivalents	-	88,878	-	88,878	88,878
Due from banks and other financial institutions	-	1,413	-	1,413	1,414
Loans and other advances to customers	-	-	110,415	110,415	109,437
Investment securities at amortised cost	35,599	-	-	35,599	35,629
Financial liabilities					
Deposits and loans from banks	-	22,690	-	22,690	22,691
Deposits from customers	-	188,224	-	188,224	188,290
Issued investment securities	7,538	-	321	7,859	7,739
Subordinated debt	-	4,601	-	4,601	4,612

31/12/2024	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Financial assets					
Cash and cash equivalents	-	118,630	-	118,630	118,631
Due from banks and other financial institutions	-	219	-	219	219
Loans and other advances to customers	-	-	111,398	111,398	110,575
Investment securities at amortised cost	29,259	-	-	29,259	29,155
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

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 the 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 the event 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)

The Group manages ESG risks based on an integrated framework, which is based on the internal ESG Risk Management policy and the requirements of European regulations, in particular the EBA/GL/2025/01 guidelines. ESG factors are incorporated into all key risk management processes of the Group, i.e. identification, measurement, evaluation and monitoring.

Climate risks within the Group are managed and monitored by the Group's Non-Financial Risk Management Department in cooperation with the Sustainability Committee, the Risk Management Department, and the Credit Risk Management Department.

The Group identifies and evaluates ESG risks in accordance with internal methodologies, which include:

- an annual materiality assessment of environmental, social and governance risks;
- an assessment of the impact of ESG risks through traditional financial risks;
- working with NGFS climate scenarios, e.g. Delayed Transition.

The most significant impact channel is credit risk, for which the Group evaluates, for example, exposures in emission-intensive sectors, risks arising from the transition to a low-carbon economy, or exposures with a high physical risk.

The Group collects and evaluates ESG data for risk management and non-financial reporting – it uses ESG questionnaires and external ESG scores; it regularly monitors clients' ESG profiles, sectors with a high climate impact (NACE) and exposures facing high physical risks.

The Group identified significant climate transition risks only in the medium (2029–2036) and long-term time horizon (2036 and beyond). To manage and mitigate the transition risks, the Group is preparing a transition plan. Targets for reducing Scope 3 (category 15) financed emissions will be set according to the availability of data from the counterparties of the Group. For this reason, the Group expects to be able to set the targets for reducing financed emissions around 2030 at the earliest. The Group also monitors the level of physical risks using data from an external provider and uses this data to manage physical risks.

ESG risks will be part of stress testing, which will take into account both physical and transition climate risks. The stress tests will consider a long-term time horizon of at least 10 years using NGFS scenarios.

44. CREDIT RISK

The Group's primary exposure to credit risk arises through its loans and advances and investments 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. For investment securities, more detailed information from the perspective of credit risk is presented in note 19. For other balance sheet items of the Group, credit risk is insignificant.

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 loans and other advances 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 31/12/2025	Gross carrying amount	ECL	Net carrying amount
Performing exposures	110,511	(1,992)	108,519
of which performing exposures forborne	2,325	(98)	2,227
Non-performing exposures	2,699	(1,781)	918
of which non-performing exposures forborne	680	(430)	250
Total loans and other advances to customers	113,210	(3,773)	109,437

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 loans and other advances to customers	113,965	(3,390)	110,575

	2025	2024
Share of exposures forborne in the total loans provided to customers	2.65 %	4.97 %
Share of non-performing exposures in total loans to customers	2.38 %	2.94 %

(b) Concentration of loans to customers by economic sector

As at 31/12/2025	Gross carrying amount	ECL	Net carrying amount
Non-forborne			
Non-financial institutions	61,553	(2,446)	59,107
Financial institutions	45,377	(796)	44,581
Households	3,251	(3)	3,248
Other	24	-	24
Total	110,205	(3,245)	106,960
Forborne			
Non-financial institutions	2,979	(504)	2,475
Households	26	(24)	2
Total	3,005	(528)	2,477

As at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Non-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

(c) Concentration of loans to customers by industry

in millions of CZK	2025	2024
Real estate activities	36,385	28,573
Financial services	18,816	13,696
Accommodation and food service activities	12,142	10,193
Culture, entertainment and recreation activities	8,892	10,900
Production and distribution of electricity, gas and heat	8,404	11,736
Construction	6,658	8,448
Manufacturing	6,483	10,024
Wholesale and retail	3,686	7,708
Private households and employed persons	1,212	2,200
Information and Communication Technologies	1,144	1,804
Water supply, services relating to water, waste management and redevelopment	1,016	1,213
Public administration and defence, compulsory social security	970	9
Administrative and support service activities	903	2,028
Transportation and storage	822	41
Mining and quarrying	584	637
Healthcare and social work	515	30
Professional, scientific and technological activities	502	1,098
Agriculture, forestry and fishing	200	220
Other activities	103	17
Total	109,437	110,575

(d) Concentration of loans to customers by location

in millions of CZK	2025	2024
Czech Republic	46,497	42,478
Cyprus	19,585	23,622
Slovakia	8,240	13,050
Poland	6,648	2,739
Germany	6,233	2,140
Luxembourg	5,533	12,393
Croatia	4,771	4,349
Great Britain	3,293	618
Switzerland	2,954	3,751
Austria	1,482	-
Malta	1,085	481
Maldives	1,015	243
Cayman Islands	904	884
France	626	650
British Virgin Islands	247	1,582
Belgium	198	236
The Netherlands	110	213
USA	-	1,117
Other	16	29
Total	109,437	110,575

(e) Concentration of loans to customers by location of project implementation and collateral

in millions of CZK	2025	2024
Czech Republic	57,793	55,845
Slovakia	11,563	17,869
Poland	7,072	2,741
Germany	6,550	7,314
Croatia	5,524	4,350
Great Britain	4,647	5,026
Cyprus	3,472	2,852
Spain	2,996	3,235
Austria	1,570	411
USA	1,500	2,451
Romania	1,340	3,751
Maldives	1,015	243
Hungary	910	1,043
Slovenia	849	1,103
Italy	724	422
Tanzania	526	558
Greece	382	47
Belgium	365	236
France	135	648
Malta	126	109
The Netherlands	52	101
Other	326	220
Total	109,437	110,575

The concentration of credit risk arising from repurchase agreements and loans to customers 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 2025	Loans to banks	Repurchase agree- ments – financial institutions	Loans to customers	Debits and repurchase agree- ments – customers
Stage 1 and 2 – individually				
Gross amount	18,536	71,587	98,467	11,816
Expected credit losses	(1)	-	(2,026)	-
Stage 3 – individually				
Gross amount	-	-	2,696	-
Expected credit losses	-	-	(1,780)	-
POCI – individually				
Gross amount	-	-	231	-
Expected credit losses	-	-	33	-
Total	18,535	71,587	97,621	11,816
Stage 1 and 2 – by maturity				
to maturity date	18,535	71,587	96,441	11,816
Stage 3 – by maturity				
to maturity date	-	-	148	-
3 to 6 months past due	-	-	324	-
6 to 12 months past due	-	-	3	-
more than 12 months past due	-	-	441	-
POCI – by maturity				
to maturity date	-	-	263	-
1 to 2 months past due	-	-	1	-
Total	18,535	71,587	97,621	11,816

As at 31 December 2024	Loans to banks	Repurchase agree- ments – financial institutions	Loans to customers	Debits and repurchase agree- ments – 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 due	-	-	390	-
POCI – by maturity				
to maturity date	-	-	283	-
Total	12,408	106,225	95,747	14,828

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
Low risk	259	-	-	-	259
Medium risk	89,053	8,036	-	229	97,318
High risk	905	214	-	-	1,119
Default	-	-	2,696	2	2,698
Debits and reverse repurchase agreements – without rating	11,816	-	-	-	11,816
ECL	(1,586)	(440)	(1,780)	33	(3,773)
Total as at 31 December 2025	100,447	7,810	916	264	109,437

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

(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 percentage point.

		Optimistic	Base	Pessimistic
Change in LGD	ECL 2025	(3,543)	(3,773)	(4,047)
	ECL 2024	(3,180)	(3,390)	(3,614)
Change in GDP	ECL 2025	(3,762)	(3,773)	(3,824)
	ECL 2024	(3,362)	(3,390)	(3,418)

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 2025 and 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.).

	Base ECL 2025	ECL per quantile			
		5 %	12.5 %	25 %	50 %
Loans to customers	(3,773)	(3,747)	(3,762)	(3,779)	(3,803)
from this Stage 1 and 2	(445)	(471)	(456)	(439)	(415)
Bonds FVOCI and AC	(37)	(50)	(42)	(35)	(23)
from this Stage 1 and 2	(36)	(48)	(40)	(33)	(21)

	Base ECL 2024	ECL per quantile			
		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)

(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.

Carrying amount of collateral	31/12/2025	31/12/2024		
	Stage 1 and 2	Stage 3	Stage 1 and 2	Stage 3
To maturity date	128,615	75	149,120	555
Guarantees	1,624	-	1,075	12
Promissory notes	228	-	182	-
Real estate	31,389	75	20,180	475
Cash deposits	2,720	-	3,035	68
Securities	12,167	-	12,496	-
Other	2,153	-	2,561	-
Securities received under reverse repurchase agreements	78,334	-	109,591	-
Past due	1	616	-	473
Real estate	1	615	-	473
Other	-	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, up to the carrying amount of the collateralized receivable.

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).

The credit risk of the 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 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 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 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. 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 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.

	31/12/2025	31/12/2024
Decrease of the trading portfolio value due to a rating migration by one credit class*	23	45

*⁴⁾ 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 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 a strong capital base in order to maintain the confidence of creditors and the market, while ensuring the future development of the business.

As at 1 January 2014, the consolidated capital adequacy ratios are calculated in compliance with Regulation (EU) no. 575/2013 of the European Parliament and Council Regulation (the "CRR") of 26 June 2013 and other related regulations in force.

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, accumulated other comprehensive income (OCI), less intangible assets and additional value adjustments (AVA) and insufficient coverage for non-performing exposures;
 - › Additional Tier 1 capital (AT1), which includes instruments (subordinated income certificates) issued in accordance with CRR (note 30).
- Tier 2 capital, which consists of eligible subordinated debt approved by the Czech National Bank (CNB) of CZK 3,649 million (2024: CZK 4,035 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). The CNB also requires every institution to hold an additional capital conservation buffer of 2.5 %, a countercyclical buffer and a systemic risk 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.

As at 1 January 2025, the systemic risk buffer rate is set at 0.5% of the total risk exposure amount located in the Czech Republic.

The minimum requirements for capital ratios for 31 December 2025 and 31 December 2024 are as follows:

	Minimum requirement	Capital conservation buffer	Countercyclical buffer	Systemic risk buffer	Pillar II requirement	Total requirement
Common Equity Tier 1 capital (CET1)	4.50 %	2.50 %	1.16 %	0.29 %	2.14 %	10.59 %
Tier 1 capital	6.00 %	2.50 %	1.16 %	0.29 %	2.85 %	12.80 %
Total regulatory capital as at 31/12/2025	8.00 %	2.50 %	1.16 %	0.29 %	3.80 %	15.75 %
Common Equity Tier 1 capital (CET1)	4.50 %	2.50 %	1.07 %	-	2.14 %	10.21 %
Tier 1 capital	6.00 %	2.50 %	1.07 %	-	2.85 %	12.42 %
Total regulatory capital as at 31/12/2024	8.00 %	2.50 %	1.07 %	-	3.80 %	15.37 %

Regulatory capital and equity reconciliation

The tables below summarize the composition of own funds (regulatory capital) and equity and capital ratios for 31 December 2025 and 31 December 2024, providing a complete reconciliation of individual items of regulatory capital to equity items.

As at 31 December 2025	Regulatory capital	Equity
Tier 1	32,778	n/a
CET1	26,507	-
Share capital	10,638	10,638
Retained earnings and other reserves	16,329	23,362
Translation and revaluation reserve	(247)	(309)
Non-controlling interest	-	15
(-) Goodwill	(123)	-
(-) Intangible assets other than goodwill	(46)	-
(-) Insufficient coverage for non-performing exposures	(6)	-
(-) AVA	(38)	-
AT1	6,271	6,271
Tier 2	3,649	n/a
Total regulatory capital/equity	36,427	39,977

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

Risk weighted assets (RWA) and capital ratios

in millions of CZK	31/12/2025	31/12/2024
Central governments or central banks	2,075	1,261
Local governments	1	2
Institutions	376	489
Corporates	52,798	69,801
Retail	1,712	177
Secured by mortgages on immovable property	48,364	18,616
Exposures in default	2,116	1,637
High-risk exposures	-	28,014
Subordinated debt exposures	7,255	-
Deposits from institutions and corporates with short-term credit rating	1,280	526
Collective investments undertakings	19,119	13,722
Shares	445	1,183
Other exposures	3,577	3,314
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	139,118	138,742
Tradeable debt instruments	4,867	2,985
Shares	490	851
Position risk in collective investment undertakings (CIUs)	1,454	186
Foreign exchange	1,133	2,246
Total risk exposure amount for position, foreign exchange and commodity risks	7,944	6,268
Operational risk	18,544	20,605
Total risk exposure amount for credit valuation adjustment	447	296
Total risk exposure amount	166,053	165,911

Capital adequacy ratios

	31/12/2025	31/12/2024
Common Equity Tier 1 capital (CET1)	15.96 %	15.91 %
Tier 1 capital	19.74 %	20.29 %
Total regulatory capital	21.94 %	22.73 %

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 met by the Bank.

	31/12/2025	31/12/2024
Leverage ratio	9.45 %	9.97 %
Liquidity ratios		
LCR	237.79 %	318.30 %
NSFR	158.79 %	181.42 %

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. Liquidity risk is managed in line with funding risk; funding risk is the risk that the Group will not be able to renew its commitments under favourable conditions. The Group takes a highly prudent approach to managing liquidity and funding risk: on the one hand, the Group 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 both 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 Group 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 Group uses three groups of scenarios:

1. base scenario (with the application of conservative assumptions);
2. risk scenarios with a high level of stress (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 Group'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, as well as incoming cash flows other than transactions with other banks (primarily the settlement of repo trades with central banks) are not considered.

The Group considers a conservative rate of the stable part of deposits without a specified maturity, with the outflow rate based on an internal deposit model. For other liabilities, a conservative outflow rate is considered based on historical observations. In cases of the absence of a modelling approach, the Group assumes that outgoing cash flows from liabilities without a specified maturity will be made at the earliest possible date. 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 Group 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 Group takes a cautious approach to incoming cash flows in liquidity scenarios, generally only including incoming cash flows that the Group has no information to suggest will not occur, and at the earliest at the maturity date. The Group 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 Group 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 Group sets survival limits, which are monitored daily. The Group also monitors the outlook for meeting survival limits in scenarios under 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) and Investment Committee (IC) is informed in order to ensure compliance with the set limits. In specified cases, the Board of Directors is also informed.

The Group 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 Group needs to have sufficient stable funding for its long-term assets. To this end, the Group 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 Group monitors their volume, volume-weighted residual maturity, and sets a system of limits and the volume of these deposits with a residual weighted duration over 1 year. As at 31 December 2025, the Group has set a risk appetite target for 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 Group also monitors the development of non-maturing deposits from customers, which it considers stable funding. For these deposits, the Group primarily monitors the historical stability of these deposits at the level of individual customers.

Overall, the Group's liquidity and refinancing position as at 31 December 2025 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 Group 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 Group's funding model is in line with industry standards.

The Group 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 contractual maturity dates.

31/12/2025	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 and cash equivalents	88,878	88,928	88,928	-	-	-	-
Due from banks and other financial institutions	1,416	1,447	1,225	12	210	-	-
Investment securities (excl. derivatives)	68,317	82,486	3,004	1,697	23,158	40,094	14,533
Loans and other advances to customers	113,209	129,933	23,249	29,837	72,432	4,415	-
Other assets	5,319	5,318	2,520	2,479	305	14	-
Total	277,139	308,112	118,926	34,025	96,105	44,523	14,533
Off balance							
Bank commitments	6,193	6,193	1,739	121	2,328	2,005	-
Bank guarantees	4,155	4,155	4,155	-	-	-	-
Liabilities							
Deposits and loans from banks	22,691	22,758	22,758	-	-	-	-
Deposits from customers	188,290	193,209	144,191	24,014	23,245	1,759	-
Issued investment securities	7,739	9,547	-	328	1,822	7,397	-
Subordinated debt	4,612	6,418	37	268	3,005	3,108	-
Other liabilities	11,502	11,527	10,021	1,360	146	-	-
Total	234,834	243,459	177,007	25,970	28,218	12,264	-
Net liquidity position	42,305	64,653	(58,081)	8,055	67,887	32,259	14,533
Cumulative liquidity position			(58,081)	(50,026)	17,861	50,120	64,653

Derivatives – non-discounted cash flows

31/12/2025	Carrying amount	Total contractual cash inflows/ (outflows)	up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Assets						
FX derivatives – inflow	2,290	2,290	577	1,042	671	-
Interest rate derivatives	131	131	6	-	114	11
Other – inflow	3	3	-	3	-	-
Total	2,424	2,424	583	1,045	785	11
Liabilities						
FX derivatives – outflow	2,656	(2,656)	(1,437)	(759)	(460)	-
Interest rate derivatives	30	(30)	-	-	(30)	-
Total	2,686	(2,686)	(1,437)	(759)	(490)	-

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 and cash equivalents	118,631	118,741	118,741	-	-	-	-
Due from banks and other financial institutions	219	273	22	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	-
Other liabilities	29,628	30,064	29,071	310	653	30	-
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	Gross 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		(1498)	(879)	(351)	(268)
Cross currency derivatives	70				
inflow		864	493	371	-
outflow		(938)	(514)	(424)	-
Interest rate derivatives	50	(52)	(1)	(25)	(26)
Total	1,618	(1,624)	(901)	(429)	(294)

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 tend to be extended or shortened. 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, as well as other assets and liabilities, is similar to their contractual maturity.

31/12/2025	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	109,437	126,147	21,318	29,621	70,884	4,318	6
Liabilities							
Deposits from customers	191,147	195,399	146,006	22,799	24,792	1,802	-

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	-

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 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 Department on a daily basis. If the limits are breached, the Financial Markets Department 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 at 31 December 2025 and 31 December 2024 are as follows:

	2025	2024
VaR market risk overall	38	65
VaR interest rate risk	35	23
VaR foreign exchange risk	10	53
VaR equity risk	10	15
VaR commodity risk	6	2

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:

	2025	2024
Short-term scenario	(101)	(88)
Medium-term scenario	(290)	(453)
Long-term scenario	(400)	(453)

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") as for yield curves in all relevant currencies.

48. 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 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, 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 on the Group's balance sheet. The calculation is not performed with use of the 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 financial instruments, 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 financial instruments 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 financial instruments in percentage points of equity and NII is as follows:

		2025	2024
Change in the present value of financial instruments due to a sudden change in interest rates by 200 bp	Equity	upward	(1,626)
		downward	1,923
	Net interest income	upward	(170)
		downward	(295)

The above trend on the observed economic value exposure to interest rate risk has been observed in connection with the increasing allocation of the investment portfolio to fixed income instruments and higher duration.

31/12/2025

Assets	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	Total
Cash and cash equivalents	85,115	-	-	3,763	88,878
Due from banks and other financial institutions	193	-	1,221	-	1,414
Positive fair value of derivatives	1,641	769	11	3	2,424
Investment securities	11,649	14,636	26,009	16,000	68,294
Loans and other advances to customers	108,792	539	-	106	109,437
Total	207,390	15,944	27,241	19,872	270,447
Liabilities	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	Total
Deposits and loans from banks	21,471	-	-	1,220	22,691
Negative fair value of derivatives	2,196	490	-	-	2,686
Deposits from customers	166,000	21,157	1,133	-	188,290
Subordinated debt	1,579	2,105	928	-	4,612
Issued investment securities	188	300	7,247	4	7,739
Total	191,434	24,052	9,308	1,224	226,018
Net interest rate risk	15,956	(8,108)	17,933	18,648	44,429
Cumulative interest rate risk	15,956	7,848	25,781	44,429	

31/12/2024

Assets	Within 1 year	1 to 5 years	Over 5 years	Maturity undefined	Total
Cash and cash equivalents	114,747	-	-	3,884	118,631
Due from banks and other financial institutions	202	-	17	-	219
Positive fair value of derivatives	1,598	1,743	-	3	3,344
Investment securities	16,457	9,053	19,060	12,944	57,514
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	27,464	11,201	28,221	45,252	

49. FOREIGN EXCHANGE RISK

Assets and liabilities of a monetary nature 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.

31/12/2025	CZK	USD	EUR	Other	Total
Assets					
Cash and cash equivalents	75,316	99	13,223	240	88,878
Due from banks and other financial institutions	-	-	1,414	-	1,414
Positive fair value of derivatives	2,415	-	9	-	2,424
Investment securities	38,342	24	29,873	55	68,294
Loans and other advances to customers	14,327	4,281	85,955	4,874*	109,437
Total	130,400	4,404	130,474	5,169	270,447
*) The item mainly includes a position in GBP and other currencies in individually insignificant amounts.					
Liabilities					
Deposits and loans from banks	12,220	-	10,471	-	22,691
Negative fair value of derivatives	2,686	-	-	-	2,686
Deposits from customers	92,906	3,835	89,099	2,450	188,290
Issued investment securities	281	-	7,458	-	7,739
Subordinated debt	4,612	-	-	-	4,612
Total	112,705	3,835	107,028	2,450	226,018
Long position of off-balance sheet instruments:					
items from derivative transactions	87,126	20,857	50,159	15,688	173,830
items from spot transactions with equity instruments	7	-	-	-	7
Short position of off-balance sheet instruments:					
items from derivative transactions	57,044	21,249	77,159	18,032	173,484
items from spot transactions with equity instruments	6	-	-	-	6
Open position asset/(liability)	47,778	177	(3,554)	375	44,776

31/12/2024	CZK	USD	EUR	Other	Total
Assets					
Cash and cash equivalents	110,013	70	8,521	27	118,631
Due from banks and other financial institutions	-	-	219	-	219
Positive fair value of derivatives	3,314	-	31	-	3,345
Investment securities	34,480	954	21,999	80	57,513
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					
Deposits and loans from banks	1,315	-	6,396	-	7,711
Negative fair value of derivatives	1,618	-	-	-	1,618
Deposits from customers	126,539	3,483	96,801	907	227,730
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

50. 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 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 Department and covers the following areas (reflecting the proportionality principle):

- identification of operational risk for all processes within the Group'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;
 - › 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.

51. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

(a) Acquisitions and establishment of subsidiaries, associates and joint ventures, contributions to subsidiaries capital

Contributions to subsidiaries' capital in 2025	Date of contribution	Acquisition cost
J&T Leasingová společnost, a.s.	06/02/2025	30
Total		30

Contributions to subsidiaries' capital in 2024	Date of contribution	Acquisition cost
ATLANTIK finanční trhy, a.s.	30/07/2024	35
Total		35

Contribution to capital of subsidiaries does not represent cash outflow from the Group.

In December 2025, although the Group assessed, based on a combination of a total economic interest of 34.85% and the investors' limited right to remove the fund manager, that it exercises control over J&T World Private Capital otevřený podílový fond, it concerns seed money and a newly established fund, not an acquisition. The fund was established on the date of its registration as at 11 July 2025 in the list maintained by the CNB. The capital contributed by the Group to the fund amounted to CZK 330 million; the cash arising from the fund at the time control was obtained amounted to CZK 183 million.

In December 2024, the Group acquired control of J&T NextGen otevřený podílový fond through an interest of 24.95% and began to fully consolidate the fund. The fund was established on the date of its registration as at 21 November 2023 in the list maintained by the CNB. The capital contributed by the Group to the fund amounted to CZK 57 million.

The Group did not acquire or establish any new subsidiary or joint venture in 2025 and 2024, respectively.

(b) Disposals and liquidations of subsidiaries, associates and joint ventures

During 2025, the Group's share in the J&T ORBIT SICAV, a.s., fund decreased from 92.33% to 89.76% due to partial share repurchases by the fund.

In 2025, the interest held by the Group in the J&T NextGen otevřený podílový fond decreased from 24.95% as at 31 December 2024. Due to the decrease in the total economic interest in the fund, the Group no longer exercises control over the fund and no longer consolidates it.

In 2025, the Group did not sell or liquidate any subsidiaries, associates and joint ventures.

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 in 2024

	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	-

52. INVESTMENT IN EQUITY ACCOUNTED INVESTEEES

The Group has no investments in equity accounted investees as at 31 December 2025 and 31 December 2024, respectively.

53. SUBSEQUENT EVENTS

On 14 October 2025, the statutory bodies of the Bank and its subsidiary, ATLANTIK finanční trhy, a.s., concluded a project of demerger through spin-off by acquisition. As a result of the demerger through spin-off by acquisition, a part of ATLANTIK finanční trhy, a.s., through which ATLANTIK finanční trhy, a.s. provides the services of an investment fund depository, was transferred to the Bank. The demerger through spin-off by acquisition from the subsidiary to the Bank took place as at the decisive date of 1 January 2026. Due to its intercompany nature, the transaction had no impact on the Group's consolidated figures.



A work by Igor Hosnedl
was featured in the J&T Banka
Art Index Pop-up 2025 exhibition.

Works by Filip Dvořák and Adéla Součková
were featured in the J&T Banka
Art Index Pop-up 2025 exhibition.



281.22
billion CZK

ASSETS
ON A CONSOLIDATED BASIS

A work by Adam Štech
was featured in the J&T Banka
Art Index Pop-up 2025 exhibition.



(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 27 March 2026.

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 2025, 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 2025, 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 as applicable to audits of financial statements of public interest entities. 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 109 233 million and constituting 39% of total assets as of 31 December 2025. The associated expected credit losses ("ECL") were reported at 3 259 million as of 31 December 2025.

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 and market data.

For ECLs calculated on a portfolio basis, we involved credit risk specialists to review the methodologies, and assumptions used, such as the probability of loss, loss given default, significant changes in credit risk, and forward-looking elements. Additionally, we examined any significant overlays or in-model adjustments that management applied in addition to the ECLs calculated at the credit portfolio level.

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.

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.

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.

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 for a three-year period (2024 - 2026). This is our second 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 27 March 2026 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 2025 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 2025 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

27 March 2026
Prague, Czech Republic

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

in millions of CZK	Note	2025	2024
Interest income calculated using effective interest rate method	6	12,624	18,183
Other interest income	6	449	382
Interest expense	7	(6,212)	(10,418)
Net interest income		6,861	8,147
Fee and commission income	8	2,889	2,373
Fee and commission expense	9	(482)	(398)
Net fee and commission income		2,407	1,975
Dividends from ownership interests		688	624
Net income from trading and investments	10	2,282	1,086
Other operating income	11	106	76
Operating income		12,344	11,908
Personnel expenses	12	(1,868)	(1,694)
Depreciation and amortisation	24, 25	(150)	(158)
Other operating expenses	13	(2,539)	(2,167)
Operating expenses		(4,557)	(4,019)
Profit before net change in allowances, provisions and income tax		7,787	7,889
Gain / (loss) from loans and other receivables	23, 33	172	(254)
Net change in loss allowances for financial instruments	23, 17	(1,054)	212
Net change in allowances for ownership interests	1	(130)	-
Profit before tax		6,775	7,847
Income tax	14	(1,086)	(1,495)
Profit for the period		5,689	6,352
<i>Profit for the year attributable to:</i>			
Shareholders of the Bank		5,689	6,352
Profit for the period		5,689	6,352
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		(20)	(5)
Net change in expected credit losses		(68)	5
Related foreign exchange differences		(4)	-
Related tax		19	-
Foreign currency translation differences		(4)	(5)
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		(63)	51
Related tax		13	(14)
Revaluation of sold instruments		172	-
Other comprehensive income for the period, net of tax		45	32
Total comprehensive income for the period		5,734	6,384

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 2025

in millions of CZK	Note	31/12/2025	31/12/2024
Assets			
Cash and cash equivalents	16	88,411	117,990
Due from banks and other financial institutions	17	1,414	219
Positive fair value of derivatives	18	2,414	3,314
Investment securities for trading	19a	9,715	7,235
Investment securities measured at fair value through profit or loss	19b	13,281	9,833
Investment securities measured at fair value through other comprehensive income	19c	8,306	9,724
Investment securities at amortised cost	19d	35,629	29,154
of which pledged as collateral (repurchase agreements)	20	-	4,724
Loans and advances to customers at amortised cost	21	109,233	109,351
Assets held for sale	1	324	26
Ownership interests	1	2,086	2,740
Current tax assets	14	544	341
Deferred tax asset	15	592	479
Property, plant and equipment and intangible assets	24, 25	1,317	1,320
Other assets	27	4,214	23,158
Total assets		277,480	314,884
Liabilities			
Deposits and loans from banks	28	21,768	6,763
Negative fair value of derivatives	18	2,688	1,623
Deposits from customers	29	190,101	227,136
Issued investment securities	30	7,732	3,349
Subordinated debt	31	4,612	4,619
Provisions	33	1,968	1,823
Other liabilities	32	10,622	30,016
Total liabilities		239,491	275,329
Share capital	34	10,638	10,638
Retained earnings and other reserves	34	21,080	21,624
Other equity instruments	34	6,271	7,293
Total equity		37,989	39,555
Total equity and liabilities		277,480	314,884

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 2025

in millions of CZK	Share capital	Retained earnings	Capital funds	Perpetuity fund	Revaluation reserve	Other equity instruments	Total
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
Other comprehensive income – items that will be reclassified to profit or loss in subsequent periods:							
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments							
Remeasurement to fair value	-	-	-	-	(5)	-	(5)
Net change in expected credit losses	-	-	-	-	5	-	5
Related tax	-	-	-	-	-	-	-
Foreign exchange differences	-	-	-	-	(5)	-	(5)
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)
Dividends paid	-	(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	-	-	-
Balance as at 31 December 2024	10,638	18,392	2,913	347	(28)	7,293	39,555
Balance as at 1 January 2025	10,638	18,392	2,913	347	(28)	7,293	39,555
Total comprehensive income for the period							
Profit for the period	-	5,689	-	-	-	-	5,689
Other comprehensive income – items that will be reclassified to profit or loss in subsequent periods:							
Revaluation reserve – financial assets at fair value through other comprehensive income – debt instruments							
Remeasurement to fair value	-	-	-	-	(20)	-	(20)
Net change in expected credit losses	-	-	-	-	(68)	-	(68)
Related foreign exchange differences	-	-	-	-	(4)	-	(4)
Related tax	-	-	-	-	19	-	19
Foreign exchange differences	-	-	-	-	(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	-	-	-	-	(63)	-	(63)
Related tax	-	-	-	-	13	-	13
Revaluation of sold instruments	-	-	-	-	172	-	172
Dividends paid	-	(5,800)	-	-	-	-	(5,800)
Payment of earnings from investment certificates	-	-	-	(500)	-	-	(500)
Transfer of share premium to capital funds	-	-	22	-	-	(22)	-
Redemption of investment certificates	-	-	-	-	-	(1,000)	(1,000)
Establishment of special-purpose fund for payment of revenue from investment certificates	-	(519)	-	519	-	-	-
Balance as at 31 December 2025	10,638	17,762	2,935	366	17	6,271	37,989

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 2025

in millions of CZK	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		6,775	7,847
Adjustments for:			
Depreciation and amortisation	24, 25	150	159
Loss from loans and other receivables	23, 33	(250)	254
Net change in loss allowances for financial instruments	23	1,054	(212)
Change in other provisions		342	70
Change in revaluation of investment securities at fair value through profit or loss		(1,220)	(182)
Fair value hedge of ownership interests		79	(42)
Net change in allowances for ownership interests	1	130	-
Disposal of carrying value of ownership interests		(28)	-
Net unrealised foreign exchange (gains)/losses		1,708	(353)
(Increase) / decrease in operating assets			
Due from banks and other financial institutions	17	(1,195)	52
Loans and other advances to customers		(3,008)	(8,910)
Investment securities measured at fair value through profit or loss		(4,997)	(2,630)
Other changes in property, plant and equipment	24	(3)	(17)
Other assets and accrued interest		18,819	(13,406)
Increase / (decrease) in operating liabilities:			
Deposits and loans from banks	28	15,005	(1,493)
Deposits from customers	29	(35,506)	10,403
Other liabilities and accrued interest		(19,203)	15,090
Net increase / (decrease) in fair values of derivatives			
Fair value of derivative instruments	18	1,965	651
Tax effect			
Income tax paid		(1,370)	(2,793)
Net cash flows from operating activities		(20,753)	4,488

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 2025

in millions of CZK	Note	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment and intangible assets		(18)	(19)
Sale of property, plant and equipment, and intangible assets		6	102
Ownership interests – capital contributions	1	(30)	(35)
Income from the sale of ownership interests		205	-
Investment securities at amortised cost – sales		4,556	-
Investment securities at amortised cost – purchases		(11,500)	(24,484)
Investment securities at fair value through other comprehensive income – sales		2,324	3,857
Investment securities at fair value through other comprehensive income – purchases		(1,007)	(2,757)
Net cash flows used in investing activities		(5,464)	(23,336)
CASH FLOWS FROM FINANCING ACTIVITIES			
Income from issued investment securities	35	7,517	24
Redemption of issued investment securities	35	(3,011)	(12)
Dividends paid	34	(5,800)	(4,300)
Distribution of income from other equity instruments	34	(500)	(644)
Redemption of investment certificates	34	(1,000)	(1,575)
Proceeds from subordinated debt issue	35	74	3,371
Repayment of subordinated debt	35	(186)	(22)
Lease liabilities paid	35	(74)	(82)
Net cash flows from financing activities		(2,980)	(3,240)
Increase / (decrease) in cash and cash equivalents		(29,197)	(22,088)
Effects of exchange rate fluctuations on cash and cash equivalents held		(382)	110
Cash and cash equivalents at beginning of period	16	117,990	139,968
Cash and cash equivalents at end of period	16	88,411	117,990
Cash flows from operating activities include:			
Interest received		12,957	17,333
Interest paid		(5,533)	(7,611)
Interest paid – lease liabilities		(43)	(3)
Dividends received		700	466

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 27 March 2026.

Signed on behalf of the Board:

Ing. Michal Kubeš
Member of the Board of Directors

Ing. Jan Kotek
Member of the Board of Directors

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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 an average of 741 employees in 2025 (2024: 709). 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.

During 2025 and 2024, no restrictions applied to the ownership rights held over subsidiaries in EU.

Balance as at 31/12/2025 (in millions of CZK)

Company	Net balance	Impairment	Share capital	% Share- holding	Principal activities	Country of incorporation
AMISTA consulting, s.r.o.	1	-	0.7	80	Advisory activities	CR
AMISTA investiční společnost, a.s.	138	-	9	80	Investment activities	CR
ATLANTIK finanční trhy, a.s.	-	(266)	38	100	Investment activities	CR
J&T IB and Capital Markets, a.s.	2	-	2	100	Advisory activities	CR
J&T INVESTIČNÍ SPOLEČNOST, a.s.	149	-	20	100	Investment activities	CR
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	8	-	3	100	Investment activities	SR
J&T Leasingová společnost, a.s.	-	(700)	32	100	Financing activities	CR
J&T ORBIT SICAV, a. s.	785	-	-	89.76	Investment activities	CR
J&T RFI I., s.r.o.	37	-	0.2	100	Advisory activities	CR
J&T VENTURES I otevřený podílový fond	57	(26)	-	94.05	Investment activities	CR
Rustonka Development II s.r.o.	909	-	0.09	100	Investment property	CR
Total	2,086	(992)				

On 6 February 2025, the Bank increased its share in J&T Leasingová společnost, a.s. through a contribution with a total nominal value of CZK 30 million in excess of contributions made by the shareholders in the share capital.

During 2025, the Bank's share in the J&T ORBIT SICAV, a.s., fund decreased from 92.33% to 89.76% due to partial share repurchases by the fund.

In 2025, the Bank recognised net impairment losses for ownership interests of CZK 130 million that includes net change in allowances related to J&T Leasingová společnost, a.s. of CZK 30 million, to J&T VENTURES I otevřený podílový fond of CZK 26 million and to ATLANTIK finanční trhy, a.s. of CZK 74 million.

The Bank is actively negotiating the terms of a third-party capital entry into the subsidiary J&T banka d.d., whereby the Bank would lose control over the company. The company is available for immediate sale and the completion of the transaction is highly probable from the perspective of IFRS criteria. For this reason, the ownership interest in J&T banka d.d. was classified as an asset held for sale as at 31 December 2025. The transaction is expected to be completed during 2026.

Assets held for sale**Balance as at 31/12/2025 (in millions of CZK)**

Company	Balance	% Share- holding	Principal activities	Country of incorporation
J&T banka d.d.	298	100	Banking activities	Croatia
J&T Ostravice Active Life UPF	26	46.74	Investment activities	CR
Total	324			

Balance as at 31/12/2024 (in millions of CZK)

Company	Net balance	Impairment	Share capital	% Share- holding	Principal activities	Country of incorporation
AMISTA consulting, s.r.o.	1	-	0.7	80	Advisory activities	CR
AMISTA investiční společnost, a.s.	138	-	9	80	Investment activities	CR
ATLANTIK finanční trhy, a.s.	75	(192)	38	100	Investment activities	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 activities	CR
J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.	8	-	3	100	Investment activities	SR
J&T Leasingová společnost, a.s.	-	(670)	32	100	Financing activities	CR
J&T ORBIT SICAV, a. s.	993	-	-	92.33	Investment activities	CR
J&T RFI I., s.r.o.	38	-	0.2	100	Advisory activities	CR
J&T VENTURES I otevřený podílový fond	83	-	-	94.05	Investment activities	CR
Rustonka Development II s.r.o.	944	-	0.1	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.

Assets held for sale**Balance as at 31/12/2024 (in millions of CZK)**

Company	Balance	% Share- holding	Principal activities	Country of incorporation
J&T Ostravice Active Life UPF	26	46.74	Investment activities	CR
Total	26			

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 2025 to 31 December 2025 ("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.

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.

Standards, amendments to the standards and interpretations effective for the first time for the period beginning 1 January 2025, which have been applied in the preparation of the Bank's separate financial statements

Amendments to 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.

The amendments specify the conditions under which a given currency is exchangeable and how to determine the exchange rate if it is not.

These adjustments, effective for the first time for the year beginning 1 January 2025, did not have any material impact on the separate financial statements of the Bank.

New standards, amendments to standards and interpretations not yet effective or not yet endorsed by the EU for the year ending 31 December 2025, which have not been applied in preparing these financial statements

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.

The Bank expects that the Standard will not have a significant effect on the separate financial statements of the Bank.

Annual Improvements to IFRS Accounting Standards – Volume 11

The process concerning the annual improvements to accounting standards according to the IASB deals with non-urgent, but necessary clarifications and amendments to IFRS. In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. Entities are obliged to implement these amendments for annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to IFRS Accounting Standards – Volume 11 include amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments aim to clarify the wording, correct minor unintended consequences, oversights or conflicts between requirements in the standards.

The Bank expects that the Standard will not have a significant effect on the separate financial statements of the Bank.

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.

The Bank evaluates the impact of IFRS 18 on its separate financial statements, while the impact is expected mainly on the presentation and the scope of disclosures.

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.

The Bank expects that the Standard will not have a significant effect on the separate financial statements of the Bank.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency

The amendments become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The amendments require translation from a non-hyperinflationary functional currency to a hyperinflationary presentation currency using the closing rate. If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, the entity translates its financial performance and financial position into the presentation currency such that all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparative information are translated using the closing rate at the date of the most recent statement of financial position. An entity whose functional currency and presentation currency are currencies of hyperinflationary economies restates the comparative information of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy by applying the general price index to that foreign operation's comparative information. In addition, the amendments introduce additional disclosure requirements. The amendments have not yet been endorsed for use in the EU.

The Bank expects that the Standard will not have a significant effect on the separate financial statements of the Bank.

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 standard has not yet been endorsed by the EU.

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 expects that the Standard will not have a significant effect on the separate financial statements of the Bank.

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 separate 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);
- Other business models:
 - › "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 cost 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

- if the credit quality of the financial asset has significantly deteriorated and resulted in a credit loss or 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.

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 to 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 (LGD)

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)

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 separate financial statement reporting 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.

PD from	Mid PD from annual Moody's reports	PD to	Internal rating	External rating equivalent	Risk category
0.0000 %	0.0591 %	0.0974 %	1	A / A2	Low risk
0.0974 %	0.1605 %	0.2066 %	2	BBB / Baa2	Low risk
0.2066 %	0.2658 %	0.3715 %	3	BBB- / Baa3	Low risk
0.3715 %	0.5191 %	0.6239 %	4	BB+ / Ba1	Medium risk
0.6239 %	0.7496 %	1.0084 %	5	BB / Ba2	Medium risk
1.0084 %	1.3552 %	1.6173 %	6	BB- / Ba3	Medium risk
1.6173 %	1.9291 %	2.4108 %	7	B+ / B1	Medium risk
2.4108 %	3.0090 %	3.7682 %	8	B / B2	Medium risk
3.7682 %	4.7097 %	4.9434 %	9	B- / B3	Medium risk
4.9434 %	5.1880 %	6.1679 %	10	CCC+ / Caa1	High risk
6.1679 %	7.3187 %	11.6350 %	11	CCC / Caa2	High risk
11.6350 %	18.0026 %	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.

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 the 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 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 the 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 asset's original carrying amount 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.

The difference between the gross carrying amount of the financial asset before the change in the terms and conditions and the present value of the modified cash flows after the change is recorded as the effect of the modification of assets to the profit or loss.

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 separately shown 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 according to the maturity of the financial asset. 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 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

Property, plant and equipment 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
Vehicles	5 years
Office equipment, safe deposit boxes	3–10 years
Fixtures and fittings	3–5 years
Computer equipment (hardware)	3 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 income statement 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.

On the commencement date of the lease, the Bank 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 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 and intangible assets 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 related fees, transaction costs, discounts or premiums that are an integral part of the effective interest rate in compliance with IFRS 9. 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, and bonds measured at fair value through profit or loss 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 that does not form an integral part of the EIR 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 income statement 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;
- 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 (the "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 2025, 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. In September 2025, 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 2024 (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 2024), 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 International Monetary Fund's projection of global macroeconomic development 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 based 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 affected by crisis (selected NACE sectors).

Mild Crisis PD: There are independent PDs generated for exposures found in fields affected by a milder crisis (selected NACE sectors).

The Bank's highest exposure of its credit portfolio are to the Czech Republic (53%) and the Slovak Republic (11%) as at 31 December 2025. 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	Forecast of the Central Bank	Model output			
				5% quantile	12.5% quantile	25% quantile	50% quantile
CZE	2025	CNB	2.31	1.07	1.5	1.91	2.49
CZE	2026	CNB	2.45	(1.59)	(0.6)	0.42	1.79
CZE	2027	CNB	2.81	(2.29)	(1.15)	(0.04)	1.48
CZE	2028	CNB		(3.28)	(1.64)	(0.24)	1.7
CZE	2029	CNB		(3.13)	(1.73)	(0.26)	1.77
SVK	2025	NBS	0.8	(1.17)	(0.35)	0.45	1.53
SVK	2026	NBS	0.5	(2.71)	(1.66)	(0.63)	0.79
SVK	2027	NBS	2.1	(2.14)	(1.15)	(0.18)	1.16
SVK	2028	NBS		(3.11)	(1.46)	0.28	2.73
SVK	2029	NBS		(3.2)	(1.4)	0.25	2.73

Data sources:

Country	Central Bank	Data Source
CZE	Czech National Bank (CNB)	Monetary Policy Report
SVK	National Bank of Slovakia (NBS)	Economic and Monetary Developments

PD curves are updated continuously, whenever forecast of the country's National Bank changes.

ECL model (management overlays)

The Bank applies management overlays through interventions in the PD model and uses them to correct the negative impacts described below on the PD model.

The Bank's conservative approach to the economic outlook is based on a combination of heightened macroeconomic uncertainty and persistent geopolitical risks, which may have an indirect but significant impact on clients' financial situation. In particular, the Bank takes into account the risk of a slowdown in economic activity, increased volatility of key macroeconomic variables and the possibility of a deterioration in the business environment due to geopolitical tensions, disruptions in supply chains and uncertain developments in external demand.

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 $\frac{1}{4}$ 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 (standard 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. In particular, the Bank identifies these sectors as having increased vulnerability to persistently high interest rates, inflationary pressures, energy price volatility, disruptions in supply and demand chains, and limited ability to pass on rising costs to final prices. These factors can lead to pressure on margins, deterioration in cash flow and consequently an increase in the probability of default, which justifies stricter PD settings for distressed industries. The division of sectors was approved by the relevant Bank Committee.

A Mild Crisis set has been added to the original PD sets (standard and crisis). It is used for sectors where there has been or an improvement is expected in risk factors, and the Bank no longer considers it necessary to keep these sectors among the crisis sectors. The set is also used for sectors where standard PDs have been applied so far, but risk factors have deteriorated or deterioration is expected.

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.

The division of sectors into Standard, Crisis and Mild Crisis is determined based on:

- four data series with assigned weights:
 - › Moody's default rate: 2024 (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 the approach described, sectors are divided into three categories according to risk level, and the corresponding PD set is used for each category. Recalibration is 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.

The Bank also applies a management overlay in the application of minimum LGD. Historically, at least the LGD for the third LGD scenario was applied when calculating ECL. Within the overlay, the final LGD is applied, i.e. if the resulting LGD calculated from the three LGD scenarios does not reach the minimum LGD level, the minimum LGD level is applied.

In 2025, the Bank introduced an extended management overlay for the calculation of expected credit losses, which reflects the long-term slightly higher risk level of its portfolio compared to the market average. This set-up is fully in compliance with the Bank's risk appetite, which allows a higher degree of tolerance to credit risk, and at the same time respects the principles of prudent banking, the requirements of International Financial Reporting Standards (IFRS 9) as well as the expectations of regulatory authorities. The introduction of the extended management overlay is currently associated with a lower ratio of defaulted loans compared to the market average in the Czech Republic.

The overlay is based on an analysis of historical data, on the basis of which the Bank has set the following expectations:

- a ratio of defaulted loans (NPL ratio) of approximately 1 percentage point above the market average in the Czech Republic, which corresponds to the long-term historical deviation of the Bank's portfolio;
- a coverage ratio at the level of 50%, based on the historical development of this indicator within the Bank's portfolio.

The value of this new management overlay is calculated as:

- a quantification of the difference between the expected amount of defaulted loans and the current amount of defaulted loans;
- a calculation of the overlay amount as the product of the size of the Bank's portfolio, the difference between the expected amount of defaulted loans and the current amount of defaulted loans, and the expected coverage ratio.

This management overlay supports the Bank's strategic focus on long-term stability, transparency and responsible risk management. It allows to respond flexibly to the development of the economic and geopolitical environment, anticipate potential risks and allocate appropriate expected credit losses to them in a timely manner. At the same time, it strengthens the Bank's ability to absorb potential losses without negatively impacting its capital position, reputation or ability to meet regulatory limits.

The Bank regularly determines the amount of this overlay and assigns it to individual loan receivables in Stage 1 and Stage 2. At the end of the reporting period, the overlay amount was updated and recalculated based on the relevant data and information available at that time.

The impact of the management overlays applied by the Bank in the calculation of expected credit losses is as follows:

31/12/2025	Loans	Debt securities at FVOCI and AC
Loss allowances and provisions without management overlays	1,710	36
Impact of the original management overlays	878	1
Impact of the newly implemented management overlays	876	-
Final amount of loss allowances and provisions after management overlays	3,464	37

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

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 banks and other 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: The fair value of purchased and issued investment securities is based on inputs valid as at the date of the financial statements according to the hierarchical system for the valuation of financial instruments defined by IFRS 13.

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 subordinated bonds issued by the Bank are based on inputs valid as at the date of the financial statements according to the hierarchical system for the valuation of financial instruments defined by IFRS 13.

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.

Geopolitical situation

The current geopolitical situation in the world contributes to an increase in uncertainty and is a source of increased volatility in financial markets. US tariff policy, the development of the war in Ukraine, the tension in the Middle East around Israel and Iran, and China's relations with Taiwan and its immediate surroundings represent the main geopolitical risks. All these uncertainties and factors may have an impact on interest rate risks, currency development (foreign exchange risks) and credit risks, including the prices of risk assets, which at the same time constitute the main risks and potential in the Bank's performance in the following period. The Bank constantly monitors these risks, evaluates their impact on its activities, and takes them into account in estimates and judgements in measuring the Bank's assets and liabilities, as well as when evaluating financial results or preparing financial plans.

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.

Individual geographical segments revenue is derived primarily from interest margins on loans, fees for client asset management and trading with financial instruments. Expenses consist primarily of personnel expenses for the Bank's branch employees and operating expenses for outsourcing. 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

31/12/2025	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash and cash equivalents	75,173	12,799	407	32	88,411
Due from banks and other financial institutions	26	193	1,195	-	1,414
Positive fair value of derivatives	428	-	1,986	-	2,414
Investment securities	43,370	14,132	9,351	78	66,931
Loans and other advances to customers	46,353	8,240	46,216	8,424*	109,233
Assets held for sale	26	-	298	-	324
Ownership interests	2,078	8	-	-	2,086
Total	167,454	35,372	59,453	8,534	270,813
Deposits and loans from banks	155	66	21,531	16	21,768
Negative fair value of derivatives	444	1	2,243	-	2,688
Deposits from customers	117,668	34,517	37,044	872	190,101
Issued investment securities	7,732	-	-	-	7,732
Subordinated debt	4,602	10	-	-	4,612
Total	130,601	34,594	60,818	888	226,901

* The position covers especially expositions in Switzerland and Great Britain.

31/12/2024	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Cash and cash equivalents	110,025	7,695	256	14	117,990
Due from banks and other financial institutions	17	202	-	-	219
Positive fair value of derivatives	675	-	2,639	-	3,314
Investment securities	34,511	12,683	8,696	56	55,946
Loans and other advances to customers	42,079	13,033	46,043	8,196*	109,351
Ownership interests	2,423	8	309	-	2,740
Total	189,730	33,620	57,943	8,267	289,560
Deposits and loans from banks	259	700	5,788	16	6,763
Negative fair value of derivatives	575	2	1,046	-	1,623
Deposits from customers	141,905	45,022	39,323	886	227,136
Issued investment securities	3,349	-	-	-	3,349
Subordinated debt	4,556	63	-	-	4,619
Total	150,644	45,787	46,157	902	243,490

* The position covers especially expositions in Switzerland and Great Britain.

Income statement

31/12/2025	Czech Republic	Slovakia	Other EU countries	Other countries	Total
Net interest income	4,017	82	2,139	623	6,861
Net fee and commission income	1,547	431	422	7	2,407
Dividends from ownership interests	688	-	-	-	688
Net income from trading and investments	(114)	1,305	1,566	(475)	2,282
Other operating income	103	2	1	-	106
Operating income	6,241	1,820	4,128	155	12,344
Personnel expenses	(1,463)	(349)	(56)	-	(1,868)
Depreciation and amortisation	(112)	(35)	(3)	-	(150)
Other operating expenses	(2,140)	(329)	(55)	(15)	(2,539)
Profit before allowances, provisions and income tax	2,526	1,107	4,014	140	7,787
Gain/(loss) from loans and other receivables	-	-	174	(2)	172
Net change in loss allowances for financial instruments	(201)	23	(900)	24	(1,054)
Net change in allowances for ownership interests	(130)	-	-	-	(130)
Profit before tax	2,195	1,130	3,288	162	6,775

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 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
Loss from 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

6. INTEREST INCOME

in millions of CZK	2025	2024
Interest income from:		
Loans and advances to customers	7,532	8,741
Resale agreements	3,260	7,958
Bonds and other fixed income investment securities	2,019	1,519
Due from financial institutions	262	347
Total	13,073	18,565

Interest income from "Loans and advances to customers" includes accrued fees associated with the provision of loans of CZK 153 million (2024: CZK 115 million) that are part of effective interest rate.

Interest income by asset classes:

in millions of CZK	2025	2024
Interest income from:		
Financial assets at fair value through other comprehensive income		
Investment securities	416	612
Financial assets at amortised cost		
Investment securities	1,154	525
Resale agreements and due from financial institutions	3,522	8,304
Loans and other advances	7,532	8,742
of which:		
unpaid interest on impaired loans	78	157
forbearance	8	16
Interest income calculated using effective interest rate	12,624	18,183
Financial instruments at fair value through profit or loss:		
Investment securities for trading	449	382
Other interest income	449	382
Total	13,073	18,565

7. INTEREST EXPENSE

in millions of CZK	2025	2024
Interest expense from:		
Deposits from customers	(5,110)	(9,281)
Issued investment securities	(384)	(258)
Subordinated debt	(307)	(155)
Repurchase agreements	(300)	(562)
Lease liabilities	(52)	(42)
Deposits and loans from banks	(59)	(120)
Total	(6,212)	(10,418)

Interest expense by liability classes:

in millions of CZK	2025	2024
Interest expense on:		
Financial liabilities at amortised cost	(6,212)	(10,418)
Total	(6,212)	(10,418)

8. FEE AND COMMISSION INCOME

in millions of CZK	2025	2024
Fee and commission income from:		
Assets management and other fees from funds	1,293	920
Issuance and administration of securities	899	814
Trading with financial instruments	371	304
Assets administration and custody	79	78
Lending activities	213	221
Other	34	36
Total	2,889	2,373

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	2025	2024
Fee and commission expense from:		
Assets management and other fees from funds	(288)	(201)
Issuance and administration of securities	(24)	(23)
Trading with financial instruments	(75)	(57)
Assets administration and custody	(49)	(40)
Lending activities	(7)	(22)
Other	(39)	(55)
Total	(482)	(398)

10. NET INCOME FROM TRADING AND INVESTMENTS

in millions of CZK	2025	2024
Realised and unrealised net income on securities	1,357	686
Net gain / (loss) from derivative operations	2,217	(147)
Net loss from financial liabilities at fair value	(2)	(2)
Net gain / (loss) from foreign currency translation	(1,303)	490
Net gain on hedge accounting	1	-
Dividend income	12	59
Total	2,282	1,086

The year-on-year increase in the position is driven mainly by the revaluation of the Bank's derivative contracts, which largely covers the impact of the translation of the Bank's foreign currency positions reflecting adverse currency movements during the year, by market volatility, which led to an increase in realised profit from securities transactions, and also by an increase in the fair value of investment securities mandatorily measured at fair value, which reflects the growth in the net present value of the underlying assets.

in millions of CZK	2025	2024
Net income from trading includes:		
Financial assets and liabilities at fair value through profit or loss:		
investment securities for trading	2,241	7
investment securities mandatorily at fair value	1,290	532
Financial assets at fair value through other comprehensive income		
investment securities	54	57
Foreign exchange differences	(1,303)	490
Total	2,282	1,086

11. OTHER OPERATING INCOME

in millions of CZK	2025	2024
Profit from the partial repurchase of a share in the fund	28	-
Revenue from the project office	27	24
Profit from the revaluation of gold bullion	23	11
Outsourcing income	19	16
Other income	9	25
Total	106	76

Other income includes a number of items that are separately immaterial.

During 2025, the Bank's share in the J&T ORBIT SICAV, a.s., fund decreased from 92.33 % to 89.76 % due to partial share repurchases by the fund.

12. PERSONNEL EXPENSES

in millions of CZK	2025	2024
Wages and salaries	(1,211)	(1,108)
Remuneration paid to key management personnel	(215)	(170)
Compulsory social security contributions	(354)	(332)
Other social expenses	(88)	(84)
Total	(1,868)	(1,694)
Average adjusted number of employees during the reporting period	741	709

There were 7 members of the Bank's Board of Directors as at 31 December 2025 (2024: 6).

13. OTHER OPERATING EXPENSES

in millions of CZK	2025	2024
Outsourcing expenses	(1,509)	(1,094)
Advertising expenses and promotion	(238)	(236)
Rental expense	(157)	(163)
of which recognition exemption applied under IFRS 16		
lease of low-value assets	(54)	(59)
short-term leases	(12)	(13)
Sponsorship and gifts	(130)	(124)
Expenses for the resolution fund and similar funds	(123)	(157)
Costs related to IS and IT support	(55)	(44)
Consulting expenses	(43)	(62)
Audit, legal and tax consulting	(42)	(46)
Audit and accounting services	(18)	(25)
Tax consulting	(3)	(3)
Other non-audit services	(21)	(18)
Communication expenses	(26)	(24)
Transport and accommodation, travel expenses	(17)	(17)
Petty expenses	(17)	(15)
Expenses related to leased premises	(9)	(12)
Other operating expenses	(173)	(173)
Total	(2,539)	(2,167)

The year-on-year increase in outsourcing expenses reflects in particular one-off effects resulting from the reassessment of selected long-term contractual relationships, as well as increased expenses related to the operation and modernisation of the IT environment. Excluding these one-off effects, the year-on-year development of outsourcing expenses is in line with the Bank's long-term operating trend.

Other operating expenses of CZK 173 million as at 31 December 2025 (2024: CZK 173 million) include a number of sundry items that are not significant on an individual basis.

14. INCOME TAX

Income tax for 2025 was calculated in accordance with Czech tax regulations at the rate of 21% (2024: 21%). The corporate income tax rate for 2026 is expected to be 21%.

The Slovak branch pays tax in accordance with Slovak tax regulations. The income tax rate in Slovakia is 24% (2024: 21%). In 2026, the rate is expected to 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.

The German branch pays tax in accordance with German tax regulations. The corporate income tax rate in Germany is 15%, plus a solidarity surcharge, resulting in an effective rate of 15.83%. In 2026, 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 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	2025	2024
Profit before tax	6,775	7,847
Statutory income tax rate	21%	21%
Income tax calculated	1,423	1,648
Non-taxable income	(442)	(336)
Impact of change in tax rate	(1)	(7)
Non-deductible expenses	59	23
Bank tax in Slovakia	41	169
Other	6	(2)
Total income tax	1,086	1,495
Effective tax rate	16.03%	19.05%

of which:

Income tax expense/(benefit) – deferred	(82)	185
Income tax expense – current	1,168	1,310

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.

15. DEFERRED TAX

The Bank has the following deferred tax assets:

in millions of CZK	Deferred tax asset	
	31/12/2025	31/12/2024
Difference between the carrying and tax value of property, plant and equipment and intangible assets	118	114
Financial assets at fair value through other comprehensive income	43	26
Lease Liability	(131)	(121)
Provision for off-balance sheet items	27	21
Allowances for loan receivables	152	136
Provision for bonuses and untaken holidays	326	296
Provisions for onerous contracts	44	-
Other	13	7
Net deferred tax asset	592	479

The deferred tax asset is calculated using the corporate income tax rate applicable for 2025, i.e. 21 % for the Bank's headquarters (2024: 21 %) and 24 % for the Bank's Slovak branch (2024: 24 %).

The following table shows the reconciliation between the deferred tax charge and the change in deferred tax assets:

in millions of CZK	31/12/2025	31/12/2024
Net deferred tax asset at the beginning of the period	479	673
Deferred tax recognised in profit or loss (note 14)	82	(185)
Change in deferred tax arising from revaluation difference recognised in equity	31	(8)
Foreign exchange differences	-	(1)
Deferred tax asset at the end of the period	592	479

16. CASH AND CASH EQUIVALENTS

in millions of CZK	31/12/2025	31/12/2024
Loans to central banks – reverse repurchase agreements	71,587	106,225
Term deposits with central banks within 3 months	12,875	7,751
Obligatory minimum reserves in central banks	3,593	3,658
Cash on hand	170	199
Current accounts with banks	159	146
Current accounts with central banks	27	11
Total	88,411	117,990

Obligatory minimum reserves represent the required minimum reserves maintained by J&T BANKA, a.s., J&T BANKA, a.s. pobočka zahraničnej banky, and J&T BANKA, a.s., Zweigniederlassung Deutschland, according to the rules of the relevant regulatory authorities.

The required minimum reserves of J&T BANKA, a.s., are calculated as 4% 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.

The required minimum reserves of 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	31/12/2025	31/12/2024
Subordinated loans to banks	194	202
Other receivables due from banks	1,221	18
Expected credit losses	(1)	(1)
Total	1,414	219

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 2025 and 31 December 2024.

18. DERIVATIVES

(a) Derivatives held for trading

31/12/2025	Notional amount buy	Notional amount sell	Positive fair value	Negative fair value
FX derivatives	172,573	(172,516)	2,009	(2,658)
Interest rate derivatives	19,640	(19,640)	125	(30)
Other derivatives	946	(946)	-	-
Total	193,159	(193,102)	2,134	(2,688)

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)

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.

The positive and negative fair value of derivatives presented in the balance sheet also represents the gross amount and is not subject to offsetting.

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 2025, the Bank reported cash collateral for derivative transactions of CZK 1,084 million (2024: CZK 1,781 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
31/12/2025	44 %	37 %	11 %	8 %
31/12/2024	41 %	44 %	10 %	5 %
Sell	CZK	EUR	USD	Other
31/12/2025	30 %	50 %	11 %	9 %
31/12/2024	31 %	51 %	12 %	6 %

(b) Derivatives held for hedging

	Notional amount		Fair value	
	Buy	Sell	Positive	Negative
Payable from 1 to 3 months	966	(849)	117	-
Payable between 3 months and 1 year	1,383	(1,212)	163	-
Total as at 31 December 2025	2,349	(2,061)	280	-
Payable from 1 to 5 years	3,183	(2,896)	233	-
Total as at 31 December 2024	3,183	(2,896)	233	-

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 2025, the carrying amount of hedged ownership interests in foreign currency was CZK 2,033 million (2024: CZK 2,289 million).

19. INVESTMENT SECURITIES

(a) Investment securities for trading

Fair value	31/12/2025	31/12/2024
Shares		
domestic	169	309
foreign	78	116
Bonds		
domestic	5,649	5,452
foreign	3,455	1,311
Allotment certificates		
domestic	347	42
foreign	17	5
Total	9,715	7,235
Shares		
listed	247	425
Bonds		
listed	9,104	6,763
Allotment certificates		
listed	347	42
not listed	17	5
Total	9,715	7,235
Shares		
financial institutions	53	187
corporate	190	238
insurance companies	4	-
Bonds		
government	6,962	5,123
financial institutions	1,446	951
corporate	696	689
Allotment certificates		
financial institutions	364	47
Total	9,715	7,235
Shares		
Level 1	242	424
Level 2	4	-
Level 3	1	1
Bonds		
Level 1	7,238	5,783
Level 2	1,352	782
Level 3	514	198
Allotment certificates		
Level 1	178	18
Level 2	186	29
Total	9,715	7,235

Foreign bonds as at 31 December 2025 included corporate bonds and bonds of financial institutions amounting to CZK 1,436 million (2024: CZK 1,015 million), mainly from companies based in Slovakia in the amount of CZK 981 million (2024: CZK 828 million) and Malta in the amount of CZK 455 million (2024: CZK 163 million).

Foreign government bonds at the amount of CZK 2,019 million (2024: CZK 296 million) represent only Slovak bonds (2024: CZK 266 million).

(b) Investment securities mandatorily at fair value through profit or loss

Fair value	31/12/2025	31/12/2024
Allotment certificates		
domestic	10,031	7,216
foreign	3,250	2,617
Total	13,281	9,833
Allotment certificates		
not listed	13,281	9,833
Total	13,281	9,833
Allotment certificates		
financial institutions	13,281	9,833
Total	13,281	9,833
Allotment certificates		
Level 2	2,014	2,006
Level 3	11,267	7,827
Total	13,281	9,833

Foreign allotment certificates include the Malta certificates of CZK 3,043 million (2024: CZK 2,533 million) and Luxembourg allotment certificates of CZK 207 million (2024: CZK 84 million).

For investment securities mandatorily measured at fair value through profit or loss, there were no transfers between Level 1 and Level 2 as at 31 December 2025.

(c) Investment securities at fair value through other comprehensive income

Fair value	31/12/2025	31/12/2024
Shares		
domestic	148	710
foreign	225	238
Bonds		
domestic	6,497	7,385
foreign	1,436	1,391
Total	8,306	9,724
Shares		
listed	371	947
not listed	2	1
Bonds		
listed	7,933	8,432
not listed	-	344
Total	8,306	9,724

Fair value	31/12/2025	31/12/2024
Shares		
corporate	373	948
Bonds		
government	5,890	5,995
financial institutions	1,943	1,391
corporate	100	1,390
Total	8,306	9,724
Shares		
Level 1	199	759
Level 2	172	188
Level 3	2	1
Bonds		
Level 1	5,890	6,093
Level 2	2,043	1,391
Level 3	-	1,292
Total	8,306	9,724

Foreign shares comprise Slovak shares of CZK 172 million (2024: CZK 188 million), Swiss shares of CZK 51 million (2024: CZK 49 million), and Belgian shares of CZK 2 million (2024: CZK 1).

Foreign bonds comprise Slovak bonds of CZK 799 million (2024: CZK 827 million) and Maltese bonds of CZK 637 million (2024: CZK 564 million).

For investment securities measured at fair value through other comprehensive income, there was a transfer of a bond in the amount of CZK 100 million from Level 1 to Level 2 in 2025 (2024: transfer of shares in the amount of CZK 49 million from Level 2 to Level 1).

Shares at fair value through other comprehensive income comprise shares of companies in the following sectors:

in millions of CZK	2025		2024	
	Fair value	Dividends received	Fair value	Dividends received
Travel and tourism	172	-	188	-
Defence industry	148	5	396	15
Energy and manufacturing industry	53	1	364	16
Total	373	6	948	31

In 2025, shares from this portfolio of the Bank's investment securities were sold in the amount of CZK 684 million (2024: CZK 5). The cumulative impact on other comprehensive income from these sold instruments was CZK 172 million (profit, 2024: loss of CZK 0 million).

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	-	6,789	1,144	7,933
Total as at 31/12/2025	-	6,789	1,144	7,933
Stage 1	5,994	827	1,955	8,776
Total as at 31/12/2024	5,994	827	1,955	8,776

From 2025, the Bank no longer uses the Very low risk category and newly reports bonds with the lowest risk according to internal rating groups in the Low risk category.

More detailed information on bonds as at 31 December 2025 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	20,514	(6)	-	-	-	20,508
foreign/listed/government	15,138	(17)	-	-	-	15,121
Total as at 31/12/2025	35,652	(23)	-	-	-	35,629
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

Domestic government bonds with a gross value of CZK 20,514 million (2024: CZK 13,402 million) have maturities ranging from 2028 to 2036.

Foreign bonds represent Slovak government bonds with a gross value of CZK 10,130 million (2024: CZK 10,539 million) and Romanian government bonds with a gross value of CZK 5,009 million (2024: 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	Total
Stage 1	-	35,629	35,629
Total as at 31/12/2025	-	35,629	35,629
Stage 1	23,933	5,221	29,154
Total as at 31/12/2024	23,933	5,221	29,154

From 2025, the Bank no longer uses the Very low risk category and newly reports bonds with the lowest risk according to internal rating groups in the Low risk category.

(e) Investment securities valued at Level 3

The Bank 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	01/01/2025	Revaluation to OCI	Revaluation to profit or loss	Transfer from/(to) Level 3	Additions	Disposals*	Interest income	31/12/2025
Investment securities for trading								
shares	1	-	-	-	-	-	-	1
bonds	198	-	(13)	206	362	(249)	10	514
Investment securities mandatorily measured at fair value through profit or loss								
allotment certificates	7,827	-	964	-	3,082	(606)	-	11,267
Investment securities measured at fair value through other comprehensive income								
shares	1	1	-	-	-	-	-	2
bonds	1,292	(26)	-	-	-	(1,275)	9	-
Total	9,319	(25)	951	206	3,444	(2,130)	19	11,784

* disposals of bonds represent sales or redemptions

Unrealised gains (losses) relating to investment securities measured at Level 3 amount to CZK 948 million as at 31 December 2025 (2024: CZK 200 million). Realised loss from the sale of allotment certificates mandatorily measured at fair value through profit or loss amounts to CZK 76 million for 2025 (2024: CZK 0 million). Realised gain from the sale of bonds measured at fair value through other comprehensive income amounts to CZK 54 million for 2025 (2024: CZK 19 million).

in millions of CZK	01/01/2024	Revaluation to OCI	Revaluation to profit or loss	Transfer from/(to) Level 3	Additions	Disposals	Interest income	31/12/2024
Investment securities for trading								
shares	1	-	-	-	-	-	-	1
bonds	563	-	(22)	(242)	153	(256)	2	198
Investment securities mandatorily measured at fair value through profit or loss								
allotment certificates	7,135	-	241	(399)	2,967	(2,117)	-	7,827
Investment securities measured at fair value through other comprehensive income								
shares	-	-	-	-	1	-	-	1
bonds	3,085	-	-	(1,315)	2,395	(2,886)	13	1,292
Total	10,784	-	219	(1,956)	5,516	(5,259)	15	9,319

The following table sets out information about significant unobservable inputs used as at 31 December 2025 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 31/12/2025	Range of estimates	FV sensitivity to inputs
bonds	discounted CF	Credit Spread		0.5 %-1.7 %	A significant increase may result in lower fair value
		Risk-free rate	514	1.9 %-3.7 %	
shares	discounted CF	Discount rates		8.8 %-17 %	A significant increase may result in lower fair value
		EBITDA growth coefficient	3	2 %-4.1 %	
allotment certificates	net asset value	n/a	11,267	Investment based	A significant increase may result in higher fair value

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	FV sensitivity to 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 %	
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 debt investment securities is based on the interest rates assigned to individual bonds. For the sensitivity analysis to changes in interest rates, the CZK SWAP 6M and EUR SWAP 6M interest rates were used.

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 underlying assets of the funds consist mainly of real estate, development projects or ownership interests in companies.

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 2025:

in millions of CZK	+ 1 bps	- 1 bps	+ 200 bps	- 200 bps
Fixed bonds	(0.06)	0.06	(19.98)	7.04
Variable bonds	-	-	(0.38)	0.37
Zero-coupon bonds	(0.02)	0.02	(4.06)	4.34
Total bonds	(0.08)	0.08	(24.42)	11.75

The impact of interest rate changes on the calculation of fair values of investment securities as at 31 December 2024 is shown in the following table:

in millions of CZK	+ 1 bps	- 1 bps	+ 200 bps	- 200 bps
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	(0.1)	0.1	(22.22)	19.1

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 unobservable inputs used on the calculation of fair values is shown below:

in millions of CZK	Effect on profit or loss		Effect on other comprehensive income	
	Increase	Decrease*	Increase	Decrease*
Bonds 2025				
change in risk-free rates by 1 bps	-	-	-	-
change in risk-free rates by 200 bps	(24)	12	-	-
change in credit markups by 100 bps	(12)		-	
Shares 2025				
change in discount rates by 1 pp	(1)	1	-	-
change in EBITDA by 5 pp	-	-	-	-
Bonds 2024				
change in risk-free rates by 1 bps	-	-	-	-
change in risk-free rates by 200 bps	(6)	3	(16)	16
change in credit markups by 100 bps	(2)		(44)	
Shares 2024				
change in discount rates by 1 pp	(1)	2	-	-
change in EBITDA by 5 pp	1	(1)	-	-

⁴⁾ 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 2025 and 31 December 2024 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)	70,230	71,587	up to 1 month	71,637
Loans and other advances to customers (note 21)	97	49	up to 1 month	58
Loans and other advances to customers (note 21)	8,007	1,535	up to 3 months	1,554
Total as at 31 December 2025	78,334	73,171		73,249

The gross amount of reported reverse repurchase agreements corresponds to the net amount recognized in the statement of financial position. Of the total fair value of assets received as collateral under reverse repurchase agreements, a portion of CZK 22,000 million was further used as collateral provided under repo agreements as at 31 December 2025 (note 20b).

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

(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 Bank's balance sheet or off-balance sheet. 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)	10,544	10,011	up to 1 month	10,025
Loans from banks (note 28)	11,456	10,501	up to 3 months	10,547
Total as at 31 December 2025	22,000	20,512		20,572
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

21. LOANS AND OTHER ADVANCES TO CUSTOMERS AT AMORTISED COST

31/12/2025	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to customers	89,972	8,249	2,199	229	100,649
Receivables from reverse repurchase agreements with customers	1,584	-	-	-	1,584
Margin lending (debits)	10,232	-	-	-	10,232
Other receivables to customers	-	1	24	2	27
Gross carrying amount	101,788	8,250	2,223	231	112,492
ECL	(1,540)	(440)	(1,312)	33	(3,259)
Net carrying amount	100,248	7,810	911	264	109,233

31/12/2024	Stage 1	Stage 2	Stage 3	POCI	Total
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 to customers	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

Details of changes in gross carrying amounts of loans as well as movements in ECLs for 2025 and 2024 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) 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 2025	98,687	10,484	2,727	250	112,148
Transfers:					
transfers to Stage 1	24	(24)	-	-	-
transfers to Stage 2	(1,819)	1,819	-	-	-
transfers to Stage 3	(946)	(27)	973	-	-
Increase due to origination and acquisition – gross	45,087	-	-	3	45,090
Movement in interest – accrued less paid (except for full repayment)	(107)	5	(3)	-	(105)
Partial repayment of the principal / drawing of loan during the reporting period	216	(574)	(3)	(13)	(374)
Financial assets derecognised during the period	(37,634)	(3,135)	(911)	-	(41,680)
Changes due to modification without derecognition (net)	91	22	(14)	-	99
Write-off and sale of receivables	-	-	(501)	-	(501)
Foreign exchange rate movements	(1,811)	(320)	(45)	(9)	(2,185)
Total as at 31 December 2025	101,788	8,250	2,223	231	112,492

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 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

(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 2025	8,776	-	-	-	8,776
Movement in interest – accrued less paid (except for full repayment)	62	-	-	-	62
Increase due to origination and acquisition – gross	1,006	-	-	-	1,006
Financial assets derecognised during the period	(1,773)	-	-	-	(1,773)
Fair value revaluation to OCI	25	-	-	-	25
Foreign exchange rate movements	(163)	-	-	-	(163)
Total as at 31 December 2025	7,933	-	-	-	7,933

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

(c) Investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	29,176	-	-	-	29,176
Movement in interest – accrued less paid (except for full repayment)	(203)	-	-	-	(203)
Increase due to origination and acquisition – gross	12,501	-	-	-	12,501
Financial assets derecognised during the period	(5,236)	-	-	-	(5,236)
Foreign exchange rate movements	(586)	-	-	-	(586)
Total as at 31 December 2025	35,652	-	-	-	35,652

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

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 2025	825	385	1,620	(33)	2,797
Transfers:					
transfers to Stage 2	(51)	51	-	-	-
transfers to Stage 3	(8)	(27)	35	-	-
Net change in credit risk	(247)	(1)	919	(2)	669
Changes due to modification without derecognition	91	22	(14)	-	99
Changes due to model update	693	96	-	-	789
New financial assets originated or purchased	425	-	-	-	425
Unwind of discount	-	-	(14)	-	(14)
Financial assets derecognised during the period	(160)	(64)	(684)	-	(908)
Write-offs and use of allowances	-	-	(501)	-	(501)
Foreign exchange rate movements	(28)	(22)	(49)	2	(97)
Total as at 31 December 2025	1,540	440	1,312	(33)	3,259

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)
Write-offs and 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

Write-offs and use of allowances for the year ended 31 December 2025 amounted to CZK 501 million (2024: CZK 132 million), mainly comprising the use of an allowance to cover the loss from sold receivables.

(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 2025	86	-	-	-	86
Net change in credit risk	(44)	-	-	-	(44)
New financial assets originated or purchased	12	-	-	-	12
Financial assets derecognised during the period	(36)	-	-	-	(36)
Foreign exchange rate movements	(4)	-	-	-	(4)
Total as at 31 December 2025	14	-	-	-	14

The balance of CZK 14 million is already net of the deferred tax effect of CZK 3 million (see note 15)..

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).

(c) Investment securities at amortised cost

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	21	-	-	-	21
Net change in credit risk	2	-	-	-	2
New financial assets originated or purchased	1	-	-	-	1
Foreign exchange rate movements	(1)	-	-	-	(1)
Total as at 31 December 2025	23	-	-	-	23

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

(d) Financial commitments and guarantees

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	35	37	75	15	162
Transfers					
transfers to Stage 2	(1)	1	-	-	-
Net change in credit risk	(124)	(6)	(16)	-	(146)
Changes due to model update	77	10	-	-	87
New financial assets originated or purchased	168	-	-	2	170
Financial assets derecognised during the period	(3)	(3)	(53)	-	(59)
Foreign exchange rate movements	(2)	(1)	(6)	-	(9)
Total as at 31 December 2025	150	38	-	17	205

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

(e) Other assets

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2025	-	-	20	-	20
Transfers					
transfers to Stage 3	-	(31)	31	-	-
Net change in credit risk	-	-	(3)	-	(3)
New financial assets originated or purchased	-	31	-	-	31
Write-offs and use of allowances	-	-	(29)	-	(29)
Foreign exchange rate movements	-	-	(1)	-	(1)
Total as at 31 December 2025	-	-	18	-	18

in millions of CZK	Stage 1	Stage 2	Stage 3	POCI	Total
Total as at 1 January 2024	-	-	-	-	-
New financial assets originated or purchased	-	-	20	-	20
Total as at 31 December 2024	-	-	20	-	20

24. PROPERTY, PLANT AND EQUIPMENT

			Right-of-use assets		
in millions of CZK	Land and buildings	Fixtures, fittings and equipment	Land and buildings	Equipment – cars	Total
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
Acquisition cost					
1 January 2025	29	89	1,943	14	2,075
Additions	-	15	2	1	18
Disposals	-	(5)	(2)	(4)	(11)
Change due to modification of IFRS 16	-	-	140	1	141
Foreign exchange differences	-	(1)	(12)	-	(13)
31 December 2025	29	98	2,071	12	2,210
Accumulated depreciation					
1 January 2025	24	44	679	10	757
Depreciation	1	10	135	3	149
Disposals	-	(1)	-	(4)	(5)
Foreign exchange differences	-	(1)	(6)	-	(7)
31 December 2025	25	52	808	9	894
Net book value					
31 December 2024	5	45	1,264	4	1,318
31 December 2025	4	46	1,263	3	1,316

The Bank did not record any property, plant and equipment under construction as at 31 December 2025 and 2024, respectively.

Property is insured against theft and natural disaster.

25. INTANGIBLE ASSETS

in millions of CZK	2025	2024
Acquisition cost		
As at 1 January	24	112
Disposals	-	(90)
Foreign exchange differences	-	2
As at 31 December	24	24
Amortisation and impairment losses		
As at 1 January	22	24
Amortisation for the year	1	1
Disposals	-	(3)
As at 31 December	23	22
Carrying amount	1	2

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 as at 31 December 2025 and 2024, respectively.

27. OTHER ASSETS

in millions of CZK	31/12/2025	31/12/2024
Receivables from customers from securities trading	1,111	20,935
Advance payments – other	1,942	1,227
Other trade receivables	373	522
Prepayments and accrued income	722	415
Other receivables	84	55
Restricted cash	-	24
Expected credit losses on other assets	(18)	(20)
Total	4,214	23,158

Receivables from customers from securities trading decreased as at 31 December 2025 due to a lower volume of customer trades over the year-end.

28. DEPOSITS AND LOANS FROM BANKS

in millions of CZK	31/12/2025	31/12/2024
Deposits from banks	1,256	2,553
Loans from banks – repurchase agreements (note 20)	20,512	4,210
Total	21,768	6,763

Deposits from banks include current deposits, term deposits and other financial liabilities.

29. DEPOSITS FROM CUSTOMERS

in millions of CZK	31/12/2025	31/12/2024
Current accounts	39,768	37,946
Term deposits and escrow accounts	150,333	189,190
Total	190,101	227,136

30. ISSUED INVESTMENT SECURITIES

in millions of CZK	31/12/2025	31/12/2024
Investment securities issued at amortised cost	7,721	3,340
Issued investment securities at fair value through profit or loss	11	9
Total	7,732	3,349

On 28 May 2025, the Bank issued 300 000 pieces of bonds with nominal value of EUR 1 000 per piece, with ISIN XS3044417981. These are Eurobonds under the Bank's international emission program in the amount of EUR 300 million maturing as at 28 May 2031 with a coupon of 4.5% p.a. The Bank has an early repayment option on 28 May 2030. The issued bonds are part of the Bank's so-called eligible liabilities.

In 2025, the Bank redeemed EUR 120 million of Eurobonds with ISIN XS2705065188 early.

Details of the estimated fair value of issued investment securities are described in note 39.

31. SUBORDINATED DEBT

in millions of CZK	31/12/2025	31/12/2024
Subordinated term deposits	2,105	2,107
Subordinated bonds issued	2,507	2,512
Total	4,612	4,619
in millions of CZK	2025	2024
Interest expense for subordinated debt:	307	155
of which interest paid	202	143

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 Czech National Bank approved the subordinated debt as a part of the capital for regulatory purposes.

32. OTHER LIABILITIES

in millions of CZK	31/12/2025	31/12/2024
Payables to customers from securities trading	7,910	27,328
Accruals and deferred income	1,461	1,343
Lease liabilities	772	734
up to 1 year	51	94
over 1 year	721	640
Other tax liabilities	204	304
Trade payables	47	43
Payables to employees	59	61
Social security liabilities	27	28
Financial liabilities at fair value through profit or loss	-	1
Other liabilities	142	174
Total	10,622	30,016

Payables to customers from securities trading decreased as at 31 December 2025 due to a lower volume of customer trades over the year-end.

Accruals and deferred income primarily consist of payables for outsourcing IT services of CZK 1,109 million (2024: CZK 863 million).

33. PROVISIONS

in millions of CZK	31/12/2025	31/12/2024
Provision for employee bonuses	1,515	1,370
Provision for off-balance sheet items	205	162
Stage 1	150	34
Stage 2	38	37
Stage 3	-	91
POCI	17	-
Provision for untaken holiday	38	39
Other provisions	210	252
Total	1,968	1,823

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 2025, the Bank created other provisions of CZK 210 million for onerous contracts.

In 2024, the Bank created a provision of CZK 252 million due to a potential risk arising from a potential dispute related to the Bank's credit exposure; the provision was recorded under other provisions. In 2025, the performance was realised and CZK 75 million was used to pay the performance, while the remaining provision portion was released.

in millions of CZK	Balance as at 01/01/2025	Creation	Use	Changes due to model update	Foreign exchange differences	Balance as at 31/12/2025
Provision for employee bonuses	1,370	1,598	(1,447)	-	(6)	1,515
Provision for off-balance sheet items – financing activities	162	171	(205)	87	(10)	205
Provision for untaken holiday	39	37	(36)	-	(2)	38
Other provisions	252	210	(250)	-	(2)	210
Total	1,823	2,016	(1,938)	87	(20)	1,968

in millions of CZK	Balance as at 01/01/2024	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	-	252	-	-	252
Total	1,562	1,549	(1,196)	(92)	1,823

34. EQUITY

(a) Share capital

The share capital has been fully paid up and consists of:	31/12/2025	31/12/2024
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 2025, retained earnings and other reserves amounted to CZK 21,080 million (2024: CZK 21,624 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 objective is 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 12 May 2025, 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 545.2088, and per share with a nominal value of CZK 1.43 in the amount of CZK 0.7796. Dividends were paid out in the total amount of CZK 5,800 million (2024: dividend of CZK 2,800 million, in the amount of CZK 263.2042 per share with a nominal value of CZK 1 thousand and in the amount of CZK 0.3764 per share with a nominal value of CZK 1.43; dividend of CZK 1,500 million, in the amount of CZK 141.0023 per share with a nominal value of CZK 1 thousand and in the amount of CZK 0.2016 per share with a nominal value of CZK 1.43).

The allocation of the profit for 2025 will be approved at the General Meeting, and based on the proposal of the Bank's Board of Directors. In addition, the General Meeting approved a transfer of the relevant part of profit for 2025 to the special-purpose fund for payment of the proceeds of the subordinated income certificates that are part of the Bank's equity, along with a transfer of the remaining part to other reserve funds.

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.

Contribution to other capital funds

As at 31 December 2025, contribution to other capital funds amounted to CZK 2,935 million (2024: 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 2025, the Bank transferred another CZK 519 million (2024: CZK 670 million) within the distribution of profit for 2024. 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 2025, revenue of CZK 500 million (2024: CZK 644 million) was distributed from this fund. As at 31 December 2025, the special-purpose capital fund for the payment of revenue from certificates amounted to CZK 366 million (2024: CZK 347 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 2025, a provision for the revaluation of these financial assets was negative, amounting to CZK 20 million (2024: negative CZK 23 million).

Other revaluation reserves

Other revaluation reserves present foreign exchange differences from the translation of the Slovak and the German branch's statements, as at 31 December 2025 was negative amount of CZK 4 million (2024: a negative amount of CZK 5 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 2025, the volume of issued subordinated unsecured certificates without maturity dates (the "certificates") amounted to CZK 6,271 million (2024: CZK 7,293 million).

Certificates as at 31/12/2025

Name of certificate	ISIN	Issue date	Currency	Interest rate	Nominal value	Subscribed issue volume
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 30 June 2025, the Czech National Bank 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: CZ0003704413, in the total amount of CZK 1,000 million, as well as consent to the disposals of share premium for ISINs CZ0003704421 and CZ0003704249. 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: CZ0003704413 were redeemed on 30 September 2025 in the amount of CZK 1,000 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

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.

35. 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 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

in millions of CZK	Subordinated debt	Lease liabilities	Issued investment securities
Balance as at 1 January 2025	4,619	734	3,349
Changes in financial cash flows			
Repayment of debt	(186)	-	(3,011)
Issue of debt	74	-	7,517
Lease liabilities paid	-	(74)	-
Total changes in financial cash flows	(112)	(74)	4,506
Foreign exchange differences	-	(26)	(247)
Other changes	-	138	2
Related changes			
Interest expense	307	52	384
Interest paid	(202)	(52)	(262)
Total related changes and liabilities	105	-	122
Balance as at 31 December 2025	4,612	772	7,732

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:

2025	Stage 1	Stage 2	Stage 3	POCI	Total
Unused credit lines	6,131	229	-	3	6,363
Granted guarantees	3,463	655	-	23	4,141
2024	Stage 1	Stage 2	Stage 3	POCI	Total
Unused credit lines	7,402	342	167	-	7,911
Granted guarantees	3,920	972	53	24	4,969

37. ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

in millions of CZK	31/12/2025	31/12/2024
Assets under management		
Assets under investment management with right of disposal	7,554	6,879
Assets under administration		
Assets received in administration	535,614	398,499
Total	543,168	405,378
Of which Assets under administration entrusted to third parties	64,216	61,226

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 using common valuation techniques (e.g. pricing models with market inputs as available), respectively.

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, including close associates, or its parent.

Balance and off-balance sheet items

As at 31 December 2025	I.	II.	III.	IV.	V.	Total
Receivables	3,180	117	4,716	240	2,287	10,540
Liabilities	62	218	4,707	1	1,276	6,264
Granted guarantees	-	-	-	-	45	45
Received guarantees	-	-	1,212	-	237	1,449
Provided loan commitments	106	48	277	-	153	584
Received collaterals	-	24	717	-	495	1,236
Profit / (loss) items						
Expenses	(1,110)	(4)	(1,560)	-	(292)	(2,966)
Income	1,000	6	1,175	17	375	2,573

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	1,237	33	362	3,112

Receivables from related parties consist primarily of loans and overdrafts. The allowance against receivables from related parties is not presented separately due to its immaterial value. 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	31/12/2025	31/12/2024
Provided loans	278	477
Deposits received	69	250

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 2025 amounted to CZK 594 million (2024: CZK 549 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:

31/12/2025	Level 1	Level 2	Level 3	Fair value	Carrying amount
Financial assets					
Cash and cash equivalents	-	88,411	-	88,411	88,411
Due from banks and other financial institutions	-	1,413	-	1,413	1,414
Loans and other advances to customers	-	-	110,165	110,165	109,233
Investment securities at amortised cost	35,599	-	-	35,599	35,629
Financial liabilities					
Deposits and loans from banks	-	21,768	-	21,768	21,768
Deposits from customers	-	190,035	-	190,035	190,101
Investment securities issued at amortised cost	7,538	-	321	7,859	7,732
Subordinated debt	-	4,601	-	4,601	4,612

31/12/2024	Level 1	Level 2	Level 3	Fair value	Carrying amount
Financial assets					
Cash and cash equivalents	-	117,990	-	117,990	117,990
Due from banks and other financial institutions	-	219	-	219	219
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

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.

Management of environmental, social and governance (ESG) risks

The Bank manages ESG risks based on an integrated framework, which is based on the internal ESG Risk Management policy and the requirements of European regulations, in particular the EBA/GL/2025/01 guidelines. ESG factors are incorporated into all key risk management processes of the Bank, i.e. identification, measurement, evaluation and monitoring.

Climate-related risks are managed and monitored within the Bank by the Bank's Non-Financial Risk Management Department in cooperation with the Sustainability Committee, the Risk Management Department and the Credit Risk Management Department.

The Bank identifies and evaluates ESG risks in accordance with internal methodologies, which include:

- an annual materiality assessment of environmental, social and governance risks;
- an assessment of the impact of ESG risks through traditional financial risks;
- working with NGFS climate scenarios, e.g. Delayed Transition.

The most significant impact channel is credit risk, for which the Bank evaluates, for example, exposures in emission-intensive sectors, risks arising from the transition to a low-carbon economy, or exposures with a high physical risk.

The Bank collects and evaluates ESG data for risk management and non-financial reporting – it uses ESG questionnaires and external ESG scores; it regularly monitors clients' ESG profiles, sectors with a high climate impact (NACE) and exposures facing high physical risks.

The Bank identified significant climate transition risks only in the medium (2029–2036) and long-term time horizon (2036 and beyond). To manage and mitigate the transition risks, the Bank is preparing a transition plan. Targets for reducing Scope 3 (category 15) financed emissions will be set according to the availability of data from the counterparties of the Bank. For this reason, the Bank expects to be able to set the targets for reducing financed emissions around 2030 at the earliest. The Bank also monitors the level of physical risks using data from an external provider and uses this data to manage physical risks.

ESG risks will be part of stress testing, which will take into account both physical and transition climate risks. The stress tests will consider a long-term time horizon of at least 10 years using NGFS scenarios.

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. For investment securities, more detailed information from the perspective of credit risk is presented in note 19. For other balance sheet items of the Bank, credit risk is insignificant.

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 loans and other advances 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 31/12/2025	Gross carrying amount	ECL	Net carrying amount
Performing exposures	110,267	(1,946)	108,321
of which performing exposures forborne	2,325	(98)	2,227
Non-performing exposures	2,225	(1,313)	912
of which non-performing exposures forborne	680	(430)	250
Total loans and other advances to customers	112,492	(3,259)	109,233

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 loans and other advances to customers	112,148	(2,797)	109,351

	2025	2024
Share of exposures forborne in the total loans provided to customers	2.67 %	4.95 %
Share of non-performing exposures in total loans to customers	1.98 %	2.43 %

(b) Concentration of loans to customers by economic sector

As at 31/12/2025	Gross carrying amount	ECL	Net carrying amount
Non-forborne			
Non-financial institutions	60,835	(1,933)	58,902
Financial institutions	45,377	(795)	44,582
Households	3,251	(3)	3,248
Other	24	-	24
Total	109,487	(2,731)	106,756
Forborne			
Non-financial institutions	2,979	(504)	2,475
Households	26	(24)	2
Total	3,005	(528)	2,477

As at 31/12/2024	Gross carrying amount	ECL	Net carrying amount
Non-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

(c) Concentration of loans to customers by industry

in millions of CZK	2025	2024
Real estate activities	36,380	28,121
Financial services	18,673	13,463
Accommodation and food service activities	12,142	10,073
Culture, entertainment and recreation activities	8,838	10,721
Production and distribution of electricity, gas and heat	8,404	11,680
Construction	6,658	8,399
Manufacturing	6,483	9,919
Wholesale and retail	3,686	7,697
Private households and employed persons	1,212	2,194
Information and Communication Technologies	1,144	1,803
Water supply, services relating to water, waste management and redevelopment	1,016	1,213
Public administration and defence, compulsory social security	970	9
Administrative and support service activities	903	2,028
Transportation and storage	822	40
Mining and quarrying	584	630
Healthcare and social work	515	30
Professional, scientific and technological activities	502	1,098
Agriculture, forestry and fishing	200	220
Other activities	101	13
Total	109,233	109,351

(d) Concentration of loans to customers by location

in millions of CZK	2025	2024
Czech Republic	46,353	42,079
Cyprus	19,532	23,447
Slovakia	8,240	13,033
Poland	6,648	2,739
Germany	6,231	2,023
Luxembourg	5,533	12,333
Croatia	4,771	3,990
Great Britain	3,293	618
Switzerland	2,954	3,751
Austria	1,482	-
Malta	1,085	481
Maldives	1,015	243
Cayman Islands	904	883
France	626	650
Virgin Islands, Great Britain	247	1,582
Belgium	198	236
The Netherlands	110	142
USA	-	1,117
Other	11	4
Total	109,233	109,351

(e) Concentration of loans to customers by location of project implementation and collateral

in millions of CZK	2025	2024
Czech Republic	57,649	55,442
Slovakia	11,563	17,859
Poland	7,072	2,741
Germany	6,548	7,137
Croatia	5,524	3,990
Great Britain	4,647	5,026
Cyprus	3,419	2,735
Spain	2,996	3,235
Austria	1,570	411
USA	1,500	2,451
Romania	1,340	3,751
Maldives	1,015	243
Hungary	910	1,043
Slovenia	849	1,103
Italy	724	422
Tanzania	526	558
Greece	382	-
Belgium	365	236
France	135	648
Malta	126	-
The Netherlands	52	30
Other	321	290
Total	109,233	109,351

The concentration of credit risk arising from repurchase agreements and loans to customers of brokers reflects the counterparty risk associated with securities and cash received as collateral.

(f) Credit risk associated with provided loans and repurchase agreements

in millions of CZK As at 31 December 2025	Loans to banks	Repurchase agreements – financial institutions	Loans to customers	Debits and repurchase agreements – customers
Stage 1 and 2				
Gross amount	18,069	71,587	98,222	11,816
Expected credit losses	(1)	-	(1,981)	-
Stage 3				
Gross amount	-	-	2,223	-
Expected credit losses	-	-	(1,312)	-
POCI				
Gross amount	-	-	231	-
Expected credit losses	-	-	33	-
Total	18,068	71,587	97,416	11,816
Stage 1 and 2 – by maturity				
to maturity date	18,068	71,587	96,241	11,816
Stage 3 – by maturity				
to maturity date	-	-	148	-
3 to 6 months past due	-	-	325	-
6 to 12 months past due	-	-	3	-
more than 12 months past due	-	-	435	-
POCI – by maturity				
to maturity date	-	-	263	-
1 to 2 months past due	-	-	1	-
Total	18,068	71,587	97,416	11,816

in millions of CZK As at 31 December 2024	Loans to banks	Repurchase agree- ments – financial institutions	Loans to customers	Debits and repurchase agree- ments – 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	-
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 due	-	-	391	-
POCI – by maturity				
to maturity date	-	-	282	-
Total	11,785	106,225	94,523	14,828

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 loans and other advances to customers by internal rating.

Risk category	Stage 1	Stage 2	Stage 3	POCI	Total
Low risk	15	-	-	-	15
Medium risk	89,052	8,036	-	229	97,317
High risk	905	214	-	-	1,119
With default	-	-	2,223	2	2,225
Debits and reverse repurchase agreements – without rating	11,816	-	-	-	11,816
ECL	(1,540)	(440)	(1,312)	33	(3,259)
Total as at 31 December 2025	100,248	7,810	911	264	109,233

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

(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 percentage point.

		Optimistic	Base	Pessimistic
Change in LGD	ECL 2025	(3,028)	(3,259)	(3,502)
	ECL 2024	(2,589)	(2,797)	(3,021)
Change in GDP	ECL 2025	(3,247)	(3,259)	(3,276)
	ECL 2024	(2,783)	(2,797)	(2,811)

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 2025 and 31 December 2024, respectively 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

	Base ECL 2025	ECL per quantile			
		5%	12.5%	25%	50%
Loans to customers	(3,259)	(3,285)	(3,270)	(3,253)	(3,229)
from this Stage 1 and 2	(399)	(425)	(410)	(393)	(369)
Bonds FVOCI and AC	(37)	(50)	(42)	(35)	(23)
from this Stage 1 and 2	(36)	(48)	(40)	(33)	(21)

	Base ECL 2024	ECL per quantile			
		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)

(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.

	31/12/2025		31/12/2024	
Carrying amount of collateral	Stage 1 and 2	Stage 3	Stage 1 and 2	Stage 3
To maturity date	128,615	75	149,018	555
Guarantees	1,624	-	1,075	12
Promissory notes	228	-	182	-
Real estate	31,389	75	20,147	475
Cash deposits	2,720	-	2,966	68
Securities	12,167	-	12,496	-
Other	2,153	-	2,561	-
Securities received under reverse repurchase agreements	78,334	-	109,591	-
Past due	1	609	-	473
Real estate	1	609	-	413
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, up to the carrying amount of the collateralized receivable.

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).

The credit risk of the 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:

	31/12/2025	31/12/2024
Decrease of the trading portfolio value due to a rating migration by one credit class*	22	59

* 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 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 at 1 January 2014, the consolidated capital adequacy ratios are calculated in compliance with Regulation (EU) no. 575/2013 of the European Parliament and Council Regulation (the "CRR") of 26 June 2013 and other related regulations in force.

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, accumulated other comprehensive income (OCI), less intangible assets and additional value adjustments (AVA) and 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 the Czech National Bank (CNB) of CZK 3,649 million (31 December 2024: CZK 4,036 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). The CNB also requires every institution to hold an additional capital conservation buffer of 2.5 %, a countercyclical buffer and a systemic risk 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.

As at 1 January 2025, the systemic risk buffer rate is set at 0.5% of the total risk exposure amount located in the Czech Republic.

The minimum requirements for capital ratios for 31 December 2025 and 31 December 2024 are as follows:

	Minimum requirement	Capital conservation buffer	Countercyclical buffer	Systemic risk buffer	Pillar II requirement	Total requirement
Common Equity Tier 1 capital (CET1)	4.5 %	2.5 %	1.13 %	0.28 %	2.14 %	10.55 %
Tier 1 capital	6 %	2.5 %	1.13 %	0.28 %	2.85 %	12.76 %
Total regulatory capital 2025	8 %	2.5 %	1.13 %	0.28 %	3.80 %	15.71 %
Common Equity Tier 1 capital (CET1)	4.5 %	2.5 %	1.06 %	-	2.14 %	10.20 %
Tier 1 capital	6 %	2.5 %	1.06 %	-	2.85 %	12.41 %
Total regulatory capital 2024	8 %	2.5 %	1.06 %	-	3.80 %	15.36 %

Regulatory capital and equity reconciliation

The tables below summarize the composition of own funds (regulatory capital) and equity and capital ratios for 31 December 2025 and 31 December 2024, providing a complete reconciliation of individual items of regulatory capital to equity items.

As at 31 December 2025	Regulatory capital	Equity
Tier 1	31,828	n/a
CET 1	25,557	-
Share capital	10,638	10,638
Retained earnings and capital funds	14,944	21,063
Translation and revaluation reserve	18	17
(-) Intangible assets	(1)	-
(-) Insufficient coverage for non-performing exposures	(6)	-
(-) AVA	(36)	-
AT1	6,271	6,271
Tier 2	3,649	n/a
Total regulatory capital/equity	35,477	37,989

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

Risk weighted assets (RWA) and capital ratios

in millions of CZK	31/12/2025	31/12/2024
Central governments or central banks	1,980	1,198
Local governments	1	2
Institutions	396	483
Corporates	51,712	68,828
Retail	1,712	177
Secured by mortgages on immovable property	47,951	18,286
Exposures in default	2,028	1,567
Subordinated debt exposures	7,255	-
High-risk exposures	-	27,856
Deposits from institutions and corporates with short-term credit rating	1,282	526
Collective investments undertakings	18,066	12,285
Shares	2,887	1,608
Other exposures	1,732	1,580
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	137,002	134,396
Tradeable debt instruments	4,589	2,864
Shares	490	851
Position risk in collective investment undertakings (CIUs)	1,454	186
Foreign exchange	2,105	2,931
Total risk exposure amount for position, foreign exchange and commodity risks	8,638	6,832
Operational risk	16,475	18,089
Total risk exposure amount for credit valuation adjustment	438	280
Total risk exposure amount	162,553	159,597

Capital adequacy ratios

	31/12/2025	31/12/2024
Common Equity Tier 1 capital (CET1)	15.72 %	15.85 %
Tier 1 capital	19.58 %	20.41 %
Total regulatory capital	21.83 %	22.94 %

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 met by the Bank.

	31/12/2025	31/12/2024
Leverage ratio	9.45 %	9.97 %
Liquidity ratios		
LCR	237.79 %	318.25 %
NSFR	158.79 %	181.42 %

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. 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 both 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. base scenario (with the application of conservative assumptions);
2. risk scenarios with a high level of stress (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, as well as incoming cash flows other than transactions with other banks (primarily the settlement of repo trades with central banks) are not considered.

The Bank considers a conservative rate of the stable part of deposits without a specified maturity, with the outflow rate based on an internal deposit model. For other liabilities, a conservative outflow rate is considered based on historical observations. In cases of the absence of a modelling approach, the Bank assumes that outgoing cash flows from liabilities without a specified maturity will be made at the earliest possible date. 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 under 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) and Investment Committee (IC) 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 weighted duration over 1 year. As at 31 December 2025, the Bank has set a risk appetite target for 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 at 31 December 2025 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.

31/12/2025	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 and cash equivalents	88,411	88,461	88,461	-	-	-	-
Due from banks and other financial institutions	1,414	1,447	1,225	12	210	-	-
Investment securities (excl. derivatives)	66,954	82,044	2,996	1,686	23,003	40,094	14,265
Loans and other advances to customers	112,493	129,233	23,249	29,836	71,733	4,415	-
Other assets	4,228	4,228	2,128	1,981	119	-	-
Total	273,502	305,413	118,059	33,515	95,065	44,509	14,265
Off balance							
Bank commitments	6,363	6,363	1,909	121	2,328	2,005	-
Bank guarantees	4,141	4,141	4,141	-	-	-	-
Liabilities							
Deposits and loans from banks	21,768	21,826	21,826	-	-	-	-
Deposits from customers	190,101	195,020	146,002	24,014	23,245	1,759	-
Issued investment securities	7,732	9,540	-	328	1,815	7,397	-
Subordinated debt	4,612	6,418	37	268	3,005	3,108	-
Other liabilities	10,622	10,995	9,758	156	423	658	-
Total	234,835	243,799	177,623	24,766	28,488	12,922	-
Net liquidity position	38,667	61,614	(59,564)	8,749	66,577	31,587	14,265
Cumulative liquidity position			(59,564)	(50,815)	15,762	47,349	61,614

Derivatives – non-discounted cash flows

31/12/2025	Carrying amount	Contractual cash inflows/ (outflows)	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Assets						
FX derivatives – inflow	2,289	2,289	576	1,042	671	-
Interest rate derivatives	125	125	-	-	114	11
Total	2,414	2,414	576	1,042	785	11
Liabilities						
FX derivatives – outflow	2,658	2,658	1,437	761	460	-
Interest rate derivatives	30	30	-	-	30	-
Total	2,688	2,688	1,437	761	490	-

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 and cash equivalents	117,991	118,103	118,103	-	-	-	-
Due from banks and other financial institutions	219	273	22	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	-
Issued investment securities	3,349	4,241	-	259	3,982	-	-
Subordinated debt	4,619	6,725	93	268	3,094	3,271	-
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

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.

31/12/2025	Net carrying amount	Expected cash inflows/ (outflows)	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Assets						
Loans and other advances to customers	109,233	125,973	21,317	29,481	70,857	4,318
Liabilities						
Deposits from customers	190,101	194,352	145,368	22,425	24,757	1,802

31/12/2024	Net carrying amount	Expected cash inflows/ (outflows)	Up to 3 months	3 months to 1 year	1 to 5 years	More than 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

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 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 at 31 December 2025 and 31 December 2024 are as follows:

	31/12/2025	31/12/2024
VaR market risk overall	37	77
VaR interest rate risk	33	22
VaR foreign exchange risk	12	70
VaR equity risk	24	15
VaR commodity risk	6	2

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:

	31/12/2025	31/12/2024
Short-term scenario	(93)	(120)
Medium-term scenario	(287)	(392)
Long-term scenario	(408)	(392)

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 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 interest-sensitive product class in the time until the current interest rate fixation expires, i.e. either the time to expected maturity or to the first re-fixing of the rate, whichever is earlier. The tables contain the main interest-sensitive items on both sides of the balance sheet.

Assets		31/12/2025
Product class	Interest rate maturity (years)	
Loans		0.31
Bonds		5.43
Resale agreements		0.03
Margin trading		0.25
IRS (Receive)		1.82
		1.10

Liabilities		31/12/2025
Product class	Interest rate maturity (years)	
Term deposits		1.00
Bonds		4.22
Savings deposits		0.49
Current deposits		0.26
IRS (Pay)		2.49
Repurchase agreements		0.12
		0.90

Assets		31/12/2024
Product class	Interest rate maturity (years)	
Loans		0.21
Overdrafts		0.03
Bonds		1.04
Resale agreements		0.02
Margin trading		0.25
Credit cards		1.88
Provided IB deposits		0.01
		0.15

Liabilities		31/12/2024
Product class	Interest rate maturity (years)	
Term deposits		1.18
Savings deposits		0.67
Current deposits		0.32
Repurchase agreements		1.13
Terminated savings deposits		0.09
Terminated TD		0.10
Received IB deposits		0.03
		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, 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 on the Bank's balance sheet. The calculation is not performed with use of the 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 financial instruments, 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 financial instruments 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 financial instruments in percentage points of equity and NII is as follows:

			2025	2024
Change in the present value of financial instruments due to a sudden change in interest rates by 200 bp	Equity	upward	(1,609)	(949)
		downward	1,909	1,407
	Net interest income	upward	(169)	1,275
		downward	(283)	(901)

The above trend on the observed economic value exposure to interest rate risk has been observed in connection with the increasing allocation of the investment portfolio to fixed income instruments and higher duration.

As at 31 December 2025	Within 1 year	1 year to 5 years	Over 5 years	Maturity undefined	Total
Assets					
Cash and cash equivalents	84,648	-	-	3,763	88,411
Due from banks and other financial institutions	193	-	1,221	-	1,414
Positive fair value of derivatives	1,634	769	11	-	2,414
Investment securities	11,407	14,613	26,009	14,902	66,931
Loans and other advances to customers	108,641	486	-	106	109,233
Ownership interests	-	-	-	2,086	2,086
Total	206,523	15,868	27,241	20,857	270,489
Liabilities					
Deposits and loans from banks	20,522	-	-	1,246	21,768
Negative fair value of derivatives	2,198	490	-	-	2,688
Deposits from customers	167,811	21,157	1,133	-	190,101
Subordinated debt	1,579	2,105	928	-	4,612
Issued investment securities	185	300	7,247	-	7,732
Total	192,295	24,052	9,308	1,246	226,901
Net interest rate risk	14,228	(8,184)	17,933	19,611	43,588
Cumulative interest rate risk	14,228	6,044	23,977	43,588	

As at 31 December 2024	Within 1 year	1 year to 5 years	Over 5 years	Maturity undefined	Total
Assets					
Cash and cash equivalents	114,133	-	-	3,857	117,990
Due from banks and other financial institutions	202	-	17	-	219
Positive fair value of derivatives	1,577	1,737	-	-	3,314
Investment securities	16,455	8,640	19,031	11,820	55,946
Loans and other advances to customers	106,880	2,267	-	204	109,351
Ownership interests	-	-	-	2,740	2,740
Total	239,247	12,644	19,048	18,621	289,560
Liabilities					
Deposits and loans from banks	6,763	-	-	-	6,763
Negative fair value of derivatives	1,325	298	-	-	1,623
Deposits from customers	202,009	24,110	1,017	-	227,136
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	

46. FOREIGN EXCHANGE RISK

Assets and liabilities of a monetary nature 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 2025	CZK	USD	EUR	Other	Total
Assets					
Cash and cash equivalents	75,107	99	12,965	240	88,411
Due from banks and other financial institutions	-	-	1,414	-	1,414
Positive fair value of derivatives	2,414	-	-	-	2,414
Investment securities	37,604	24	29,248	55	66,931
Loans and other advances to customers	14,129	4,281	85,949	4,874*	109,233
Ownership interests	2,086	-	-	-	2,086
Total	131,340	4,404	129,576	5,169	270,489
*) The item mainly includes a position in GBP and other currencies in individually insignificant amounts.					
Liabilities					
Deposits and loans from banks	12,220	7	9,534	7	21,768
Negative fair value of derivatives	2,688	-	-	-	2,688
Deposits from customers	94,566	3,836	89,249	2,450	190,101
Issued investment securities	274	-	7,458	-	7,732
Subordinated debt	4,612	-	-	-	4,612
Total	114,360	3,843	106,241	2,457	226,901
Long position of off-balance sheet instruments:					
items from derivative transactions	87,126	20,857	50,523	15,687	174,193
items from spot transactions with equity instruments	7	-	-	-	7
Short position of off-balance sheet instruments:					
items from derivative transactions	57,410	21,249	77,159	18,032	173,850
items from spot transactions with equity instruments	6	-	-	-	6
Open position asset/(liability)	46,697	169	(3,301)	367	43,932

As at 31 December 2024	CZK	USD	EUR	Other	Total
Assets					
Cash and cash equivalents	109,972	65	7,930	23	117,990
Due from banks and other financial institutions	-	-	219	-	219
Positive fair value	3,314	-	-	-	3,314
Investment securities	28,012	954	26,900	80	55,946
Loans and other advances to customers	13,252	6,552	85,582	3,965*	109,351
Ownership interests	448	-	2,292	-	2,740
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					
Deposits and loans from banks	1,315	15	5,419	14	6,763
Negative fair value of derivatives	1,618	-	5	-	1,623
Deposits from customers	126,953	3,464	95,825	894	227,136
Issued investment securities	297	-	3,052	-	3,349
Subordinated debt	4,566	-	53	-	4,619
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

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

On 14 October 2025, the statutory bodies of the Bank and its subsidiary, ATLANTIK finanční trhy, a.s., concluded a project of demerger through spin-off by acquisition. As a result of the demerger through spin-off by acquisition, a part of ATLANTIK finanční trhy, a.s., through which ATLANTIK finanční trhy, a.s. provides the services of an investment fund depository, was transferred to the Bank. The demerger through spin-off by acquisition from the subsidiary to the Bank took place as at the decisive date of 1 January 2026. The value of assumed assets and liabilities was recognised in the Retained earnings and other reserves balance sheet caption of the Bank in the amount of CZK 8 million.

REPORT ON RELATIONS FOR THE ACCOUNTING PERIOD OF 2025

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 2025 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, 186 00, Company ID No. 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 2025 to 31 December 2025, J&T BANKA, a.s., was directly controlled by the following entity:

J&T FINANCE GROUP SE

Company ID No.: 27592502, with its registered office at Prague 8, Sokolovská 700/113a, PSČ 186 00, Czech Republic

In the accounting period of 2025, 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 2025 to 31 December 2025, J&T BANKA, a.s. was indirectly controlled by the following person:

Ing. Jozef Tkáč,

residing at Bratislava, Júlová 10941/32, postcode 831 01, Slovakia, who controls J&T FINANCE GROUP SE.

In addition, Ing. Jozef Tkáč owns shares in the following company:

- MARLEK LIMITED

Company ID No.: 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 2025 to 31 December 2025, J&T BANKA, a.s. was controlled by the same entities as the following other controlled entities, through J&T FINANCE GROUP SE

ATLANTIK finanční trhy, a.s.

Company ID No.: 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.

Company ID No.: 47672684, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T ORBIT SICAV, a.s.

Company ID No.: 14151898, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s. (until 31 December 2025)

J&T IB and Capital Markets, a.s.

Company ID No.: 24766259, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T RFI I., s.r.o.

Company ID No.: 17164028, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T banka d.d.

Company ID No.: 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.

Company ID No.: 28427980, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

Rustonka Development II s.r.o.

Company ID No.: 05585571, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

J&T INVESTIČNÁ SPOLOČNOSŤ, správ. spol., a.s.

Company ID No.: 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.

Company ID No.: 27437558, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

AMISTA consulting, s.r.o.

Company ID No.: 17590345, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T BANKA, a.s.

365.bank, a.s.

Company ID No.: 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.

Company ID No.: 31621317, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by 365.bank, a.s.

PB Servis, a.s.

Company ID No.: 47234571, with its registered office at Karloveská 34, Bratislava 841 04, Slovakia, controlled by 365.bank, a.s.

PB Finančné služby, a.s.

Company ID No.: 35817453, with its registered office at Hattalova 12, Bratislava 831 03, Slovakia, controlled by 365.bank, a.s.

365.fintech, a.s.

Company ID No.: 51301547, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by 365.bank, a.s.

Ahoj, a.s.

Company ID No.: 48113671, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by 365.bank, a.s.

Cards&Co, a.s.

Company ID No.: 51960761, with its registered office at Dvořákovo nábrežie 4, Bratislava 811 02, Slovakia, controlled by 365.bank, a.s.

DanubePay, a.s.

Company ID No.: 46775111, with its registered office at Pribinova 25, Bratislava – mestská časť Staré Mesto 811 09, Slovakia, controlled by Cards&Co, a.s.

Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

Company ID No.: 03451488, with its registered office at Na příkopě 393/11, Staré Mesto, 110 00 Prague 1, Czech Republic, controlled by J&T FINANCE GROUP SE

FORESPO SOLISKO a.s.

Company ID No.: 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 HELIOS 1 a.s.

Company ID No.: 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.

Company ID No.: 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 PÁLENICA a. s.

Company ID No.: 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.

Company ID No.: 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.

Company ID No.: 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.

Company ID No.: 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.

Company ID No.: 50333160, with its registered office at Karloveská 34, Bratislava – mestská časť Karlova Ves 841 04, Slovakia, controlled by FORESPO – RENTAL 2 a. s.

FORESPO BDS a.s.

Company ID No.: 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.

Company ID No.: 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.

Company ID No.: 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.

Company ID No.: 31375898, with its registered office at Dvořákovovo nábřeží 8, Bratislava 811 02, Slovakia, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

OSTRAVICE HOTEL a.s.

Company ID No.: 27574911, with its registered office at Prague 8, Sokolovská 700/113a, PSČ 186 00, Czech Republic, controlled by Compact Property Fund, investiční fond s proměnným základním kapitálem, a.s.

J&T SERVICES ČR, a.s.

Company ID No.: 28168305, with its registered office at Prague 8, Sokolovská 700/113a, PSČ 186 00, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T SERVICES SR, s.r.o.

Company ID No.: 46293329, with its registered office at Dvořákovovo nábřeží 8, Bratislava 811 02, Slovakia, controlled by J&T SERVICES ČR, a.s.

J&TWine Holding SE

Company ID No.: 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.,

Company ID No.: 09988891, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&TWine Holding SE

Reisten, s.r.o.

Company ID No.: 25533924, with its registered office at Zahradní 288, 692 01 Pavlov, Czech Republic, controlled by J&TWine Holding SE (as of 1 December 2025 it was dissolved without liquidation, its assets were transferred to the successor company, KOLBY a.s., which entered the legal status of the dissolved company)

Kolby Reisten, a.s. (former KOLBY a.s.)

Company ID No.: 25512919, with its registered office at Česká 51, 691 26 Pouzdřany, Czech Republic, controlled by J&TWine Holding SE

CHATEAU TEYSSIER (former STE CIVILE D'EXPLOITATION DU CHATEAU TEYSSIER)

Company ID No.: 316809391, with its registered office at 33330 VIGNONET, Saint Emilion, France, controlled by J&TWine Holding SE

World's End LLC

Company ID No.: 200807010154, with its registered office at 5 Financial Plaza 116, Napa CA 94558, USA, controlled by CHATEAU TEYSSIER

JCP MALTUS DOMAINES & CHATEAUX

Company ID No.: 507402386, with its registered office at 33330 VIGNONET, Saint Emilion, France, controlled by CHATEAU TEYSSIER

J&T INTEGRIS GROUP LIMITED

Company ID No.: 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.

Company ID No.: 01005740, with its registered office at TMF Place, Road Town, Tortola, British Virgin Islands, controlled by J&T INTEGRIS GROUP LIMITED (until 28 February 2025)

J&T Trust Inc.

Company ID No.: 00011908, with its registered office at Lauriston House, Lower Collymore Rock, St. Michael, Barbados, controlled by Bayshore Merchant Services Inc. (until 28 February 2025)

J&T MINORITIES PORTFOLIO LIMITED

Company ID No.: 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.

Company ID No.: 10005005, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T MINORITIES PORTFOLIO LTD. (until 13 November 2025)

Colorizo Investment, a.s.

Company ID No.: 07901241, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T MINORITIES PORTFOLIO LTD

Industrial Center CR 11 s.r.o.

Company ID No.: 05649765, with its registered office at V celnici 1034/9, Nové Město, 110 00 Prague 1, Czech Republic, controlled by Colorizo Investment, a.s.

Facility Develop Group, s.r.o.

Company ID No.: 10991522, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by Colorizo Investment, a.s.

J&T Global Finance IX., s.r.o., in liquidation

Company ID No.: 51836301, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T INTEGRIS GROUP LIMITED (until 31 March 2025)

J&T Funds Inc.

Company ID No.: 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 (until 28 February 2025)

J&T Global Finance X., s.r.o., in liquidation

Company ID No.: 07402520, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE (until 31 May 2025)

J&T Global Finance XI., s.r.o.

Company ID No.: 09920021, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T Global Finance XII., s.r.o. in liquidation

Company ID No.: 53546229, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T FINANCE GROUP SE

J&T Global Finance XIII., s.r.o.

Company ID No.: 09919821, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T Global Finance XIV., s.r.o.

Company ID No.: 54627753, with its registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, controlled by J&T FINANCE GROUP SE

J&T Mezzanine, a.s.

Company ID No.: 06605991, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T Global Finance XV., s.r.o.

Company ID No.: 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.

Company ID No.: 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, a.s. (former J&T RFI VII., s.r.o.)

Company ID No.: 56314124, with its registered office at Dvořákovo nábrežie 8, Bratislava – mestská časť Staré Město 811 02, Slovakia, controlled by J&T FINANCE GROUP SE

J&T Global Finance XVI, s.r.o.

Company ID No.: 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.

Company ID No.: 26312784, with its registered office at Dvořákovo nábrežie 8, Bratislava – mestská časť Staré Město 811 02, Slovakia, controlled by J&T FINANCE GROUP SE

J&T Global Finance XVIII, s.r.o. (former J&T RFI VI., s.r.o.)

Company ID No.: 22161236, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

JTFG FUND I SICAV, a.s.

Company ID No.: 09903089, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

JTFG FUND II SICAV, a.s.

Company ID No.: 21290334, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic controlled by J&T FINANCE GROUP SE (the company is listed due to ownership of founding shares (more than 40%))

JTFG FUND III SICAV, a.s.

Company ID No.: 23511494, with its registered office at Sokolovská 700/113a, Karlín, 186 000 Prague 8, Czech Republic controlled by J&T FINANCE GROUP SE (the company is listed due to ownership of founding shares (more than 40%))

JTFG FUND V SICAV, a.s. (former J&T AGRICULTURE SICAV a.s.)

Company ID No.: 17856400, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, Czech Republic controlled by J&T FINANCE GROUP SE (the company is listed due to ownership of founding shares (more than 40%))

Fond Fondů NLS SICAV, a.s.

Company ID No.: 19232721, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

J&T NOVA Hotels SICAV, a.s.

Company ID No.: 09641173, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE

DIAMOND HOTELS SLOVAKIA, s.r.o.

Company ID No.: 35838833, 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.

Company ID No.: 45948879, with its registered office at Dvořákovo nábrežie 6, Bratislava 811 02, Slovakia, controlled by J&T NOVA Hotels SICAV, a.s.

Interhouse Košice, a.s.

Company ID No.: 31706631, with its registered office at Hlavná 1, Košice 040 01, Slovakia, controlled by J&T NOVA Hotels SICAV, a.s. (since 31 December 2025)

J&T ARCH INVESTMENTS SICAV, a.s.

(former J&T INVESTMENTS SICAV, a.s.)

Company ID No.: 08800693, with its registered office at Sokolovská 700/113a, 186 000 Prague 8, Czech Republic, controlled by J&T FINANCE GROUP SE (the company is listed due to ownership of founding shares (more than 40%))

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 2025, 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 2025 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, 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.

The sole shareholder J&T FINANCE GROUP SE was paid a dividend of CZK 5,800 million based on the decision of the sole shareholder exercising the powers of the General Meeting pursuant to Section 12 of Act No. 90/2012 Coll., on Business Corporations and Cooperatives (Act on Business Corporations), dated 12 May 2025.

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.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Commission agreement dated 18 December 2008.
- Subordinated loan agreement dated 21 September 2011, as amended.
- Contract for a loro account dated 27 May 2014.
- Contract for support of membership in the card company MasterCard dated 24 June 2014.
- 2002 Master Agreement dated 10 June 2015, as amended.
- Framework Agreement on the Custody and/or Management of Securities dated 17 January 2018.
- Master Funded Participation Agreement dated 24 September 2018.
- Agreement dated 2 July 2021.
- Sale Transfer Agreement dated 31 October 2024.
- Loan Facilities agreements, as amended.

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.

With 365.fintech, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.

Contracts in force entered into between related parties:

- Contract for cooperation dated 13 July 2009, as amended.
- Commission agreement dated 29 May 2014.

- Contract for cooperation in providing investment services, as amended.
- Agreement on termination of the Cooperation Agreement dated 13 July 2009.

With AMISTA consulting, s.r.o.

Contracts in force entered into between related parties:

- Agreement on the transfer of ownership of book-entry securities for consideration.
- Agreement on the transfer of investment shares.
- Agreement on the transfer of ownership of book-entry securities for consideration.
- Current account maintenance in accordance with the Bank's business terms and conditions.

With AMISTA investiční společnost, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for financial institutions dated 7 October 2022.
- Contract for the provision of services dated 29 December 2023, as amended by Addendum dated 19 September 2025.
- 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.

Contracts in force entered into between related parties:

- Agreement on offering investments into investment funds dated 29 October 2019, as amended.
- Framework Agreement on the Distribution of Qualified Investor Fund Securities, as amended.
- Framework agreement regulating the conditions for granting consents to transfers of investment instruments held in a register linked to a separate securities register.
- Framework Agreement on the Issue and Repurchase of Securities dated 25 October 2023.
- Contract for the provision of services (outsourcing) – internal audit dated 31 March 2025.
- Framework Agreement on the Issue and Repurchase of Securities.
- Investment fund management consultancy agreement dated 18 December 2025.

With ATLANTIK finanční trhy, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Commission Contract dated 7 July 2010.

- Framework agreement on financial market trading dated 14 February 2011.
- Business Cooperation Agreement dated 4 May 2011.
- Contract for the provision of services dated 31 December 2014, as amended by Addendum No. 10 dated 21 August 2025.
- Overdraft Loan Agreement No. CZK 22/KTK/2021 dated 27 July 2021 as amended.
- Safety deposit box maintenance in accordance with the Bank's business terms and conditions.
- Contract for the provision of services dated 1 September 2022, as amended by Addendum No. 2 dated 22 December 2025.
- Assignment agreement of the contract dated 31 March 2023.
- Issue of a debit card in accordance with the Bank's business terms and conditions.
- Contract for the conditions of providing outsourcing services dated 11 November 2024.
- 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 30 June 2025.
- Custody contracts for securities in which ATLANTIK financial markets, a.s. acts as a third party – depositary.

Contracts in force entered into between related parties:

- Agreement on transfer of ownership and other rights dated 30 June 2011.
- Contract to entrust the performance of individual activities of a collective investment fund depositary dated 1 April 2023.
- Contract for the provision of professional assistance dated 1 July 2023.
- Agreement on the provision of additional shareholder payment outside the company's share capital dated 30 July 2024.

With BHP Tatry, s. r. o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Loan Agreement EUR 43/OAO/2024 dated 6 December 2024 inc. Amendment no. 1 to Loan Agreement dated 6 March 2025.
- Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Corporate agreement 2025 dated 7 January 2025 with J&T BANKA, a.s. pobočka zahraničnej banky.

With Colorizo Investment, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance in accordance with the Bank's business terms and conditions.

- Loan agreement EUR 34/OAO/2024 dated 3 December 2024.

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 2025:

- 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 based on which performance was provided in 2025:

- Bank guarantee agreement No. Z 08/OAO_SR/2014 dated 3 April 2014 with J&T BANKA, a.s. pobočka zahraničnej banky.
- Loan Agreement EUR 43/OAO/2024 dated 6 December 2024 incl. Amendment no. 1 to Loan Agreement dated 6 March 2025.
- Current account maintenance in accordance with the Bank's business terms and conditions.
- Agreement on prices for accommodation for 2025 dated 12 February 2025 with J&T BANKA, a.s. pobočka zahraničnej banky.

With Equity Holding, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance in accordance with the Bank's business terms and conditions.
- Commission agreement dated 15 December 2008.
- Contract for the provision of services dated 31 December 2014, as amended by Addendum No. 10 dated 7 September 2025.
- Assignment agreement of the contract dated 31 March 2023.

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.
- Current account maintenance in accordance with the Bank's business terms and conditions.

With Fond Fondů NLS SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for financial institutions dated 11 April 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.

Contracts in force entered into between related parties:

- Framework Agreement on Trading on the Financial Market dated 4 September 2023.

With Ing. Jozef Tkáč

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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").
- Issue of a credit card in accordance with the Bank's business terms and conditions.
- 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.
- Notice deposit account.
- Issue of a debit card in accordance with the Bank's business terms and conditions.
- Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- General agreement on custody of financial instruments having the form of share certificates dated 10 December 2009.

With Interhouse Košice, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Parking contract dated 3 February 2020 with J&T BANKA, a.s., pobočka zahraničnej banky.
- Contract for lease of non-residential premises dated 3 February 2020 with J&T BANKA, a.s., pobočka zahraničnej banky.
- Loan Agreement EUR 54/OAO/2024 dated 3 February 2025 incl. Amendment no. 1 dated 23 May 2025.
- Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T banka d.d.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.
- Overdraft facility agreement No. EUR 35/KTK/2021 dated 28 September 2021, as amended.
- Agreement on the Provision of Professional Assistance.

- Loro account maintenance in accordance with the Bank's business terms and conditions.
- Loan Facilities Agreements – syndicated loans.

Contracts in force entered into between related parties:

- Framework Agreement on Trading on the Financial Market dated 3 July 2014.

With J&T FINANCE GROUP SE

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance in accordance with the Bank's business terms and conditions.
- Framework agreement on the provision of banking services dated 15 January 2007.
- Issue of a debit card in accordance with the Bank's business terms and conditions.
- Commission agreement dated 15 December 2008.
- 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.
- Financial settlement agreement dated 3 January 2012
- Contract for the custody of investment instruments dated 1 January 2014.
- Safety deposit box maintenance in accordance with the Bank's business terms and conditions.
- Framework Agreement on Trading on the Financial Market dated 30 November 2015.
- Administrator contract dated 17 March 2016, along with a Special arrangement to the Agreement with the Administrator.
- Overdraft facility agreement No. EUR 61/KTK/2016 dated 11 November 2016, 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.
- Administrator contract dated 14 September 2020, along with a Special arrangement to the Agreement with the Administrator.
- Agreement on provision of collateral dated 4 February 2021.
- Personal Data Processing Agreement dated 1 June 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.
- 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.
- Contract for provision of services dated 1 January 2024, as amended by Addendum No. 11 dated 3 September 2025.

- Contract for the provision of services (outsourcing) dated 11 July 2024.
- Contract for the conditions of providing outsourcing services dated 11 July 2024.
- Agreement on provision of collateral dated 29 November 2024.
- Financial guarantee agreement dated 29 November 2024.
- Contract for the provision of services of the Data Protection Officer dated 21 December 2025.
- Forward currency transactions in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Contract for sublease of a motor vehicle dated 23 January 2015 together with the Declaration dated 8 September 2025.
- Personal Data Processing Agreement dated 1 June 2022.
- Assignment agreement of the contract dated 31 March 2023.
- Guarantee agreement dated 11 December 2024.

With J&T FINANCE GROUP SE, organizačná zložka

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Framework agreement on the provision of services for legal entities and natural persons – entrepreneurs (self-employed) in the private banking sector, dated 23 September 2024 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.
- Safety deposit box lease in accordance with the Bank's business terms and conditions.
- Contract for lease of movable assets and financial settlement dated 1 December 2014, as amended.

With J&T Global Finance IX., s.r.o. in liquidation

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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., in liquidation

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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 based on which performance was provided in 2025:

- Contract for the provision of banking services for legal entities and entrepreneurs dated 2 March 2021.
- Administrator contract dated 30 June 2021, along with a Special arrangement to this contract with the Administrator.
- Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Bond placement agreement dated 30 June 2021.

With J&T Global Finance XII., s.r.o. in liquidation

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.
- Notice deposit account.
- Administrator contract dated 8 July 2021, along with a Special arrangement to this contract with the Administrator J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties:

- Bond placement agreement dated 7 July 2021.

With J&T Global Finance XIII., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.

Contracts in force entered into between related parties:

- Bond placement agreement dated 9 June 2022.

With J&T Global Finance XIV., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.
- 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.

Contracts in force entered into between related parties:

- Bond placement agreement dated 3 August 2022.

With J&T Global Finance XV. s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for legal entities and entrepreneurs dated 13 October 2022.
- Administrator Agreement dated 9 May 2023, together with the Special Arrangement to the Administrator Agreement.
- Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Bond Placement Agreement dated 9 May 2023.

With J&T Global Finance XVI., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract on the provision of banking services for legal entities and entrepreneurs dated 27 June 2022.
- Administrator contract for bonds dated 28 June 2024, along with a Special arrangement to the Agreement with the Administrator.
- Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Framework agreement on trading in financial market dated 27 June 2022.
- Bond placement agreement dated 28 June 2024.

With J&T Global Finance XVII., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Framework agreement on the provision of services for legal entities and natural persons – entrepreneurs (self-employed) in the private banking sector, dated 3 July 2024 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 XVIII., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for legal entities and entrepreneurs dated 31 October 2024.

With J&T IB and Capital Markets, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.
- Financial Settlement Agreement dated 2 January 2014.
- Commission agreement dated 3 March 2014.
- Contract for provision of services dated 31 December 2014, as amended by Addendum No. 10 dated 7 September 2025.
- Assignment agreement of the contract dated 31 March 2023.

Contracts in force entered into between related parties:

- Contract for sublease of a means of transport dated 23 January 2015, as amended by the subsequent Declaration of the Contracting Parties dated 22 August 2025.

With J&T INTEGRIS GROUP LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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 based on which performance was provided in 2025:

- Cooperation Agreement in the area of personnel and payroll agenda dated 1 June 2022 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.
- 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.
- Framework agreement on the provision of services for financial institutions dated 21 November 2023, with J&T BANKA, a.s. pobočka zahraničnej banky.
- Personal Data Processing Agreement dated 1 November 2025 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties:

- 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.

With J&T INVESTIČNÍ SPOLEČNOST, a.s.:

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance in accordance with the Bank's business terms and conditions.
- Financial Settlement Agreement dated 2 January 2012.
- Contract for provision of services dated 31 December 2014, as amended by Addendum No. 10 dated 7 September 2025.
- Framework Agreement on Business Cooperation, Issuance and Redemption of Units and Management of Investment Instruments, as amended.
- Securities custody agreement, as amended.
- Framework Agreement on Business Cooperation, Issuance, Exchange and Redemption of Investment Shares and Management of Investment Instruments, as amended.
- Contract for the custody of securities.
- Assignment agreement of the contract dated 31 March 2023.
- Framework Agreement on Trading on the Financial Market dated 22 May 2023 as amended.
- Contract for delegation of activities and terms of provision of outsourcing services dated 30 September 2024, as amended by Addendum dated 18 November 2025.

Contracts in force entered into between related parties:

- Notice deposit account.

With J&T Leasingová společnost, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance in accordance with the Bank's business terms and conditions.
- Notice deposit account.
- Overdraft Loan Agreement No. CZK 52/KTK/2017 dated 21 November 2017 as amended.
- Issue of a debit card in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Contract for the provision of services dated 1 January 2018, as amended by Addendum No. 6 dated 29 December 2023.
- Framework Agreement on Financial Market Trading dated 4 January 2018 as amended.
- Safety deposit box maintenance in accordance with the Bank's business terms and conditions.
- Assignment agreement of the contract dated 31 March 2023.
- Contract for the provision of services (outsourcing) dated 30 September 2024.

With J&T Mezzanine, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance in accordance with the Bank's business terms and conditions.
- Agreement on the provision of services (outsourcing) – dated 26 June 2018, as amended by Addendum No. 1 dated 27 September 2024.
- Framework Agreement on Trading on the Financial Market dated 28 June 2018.
- Commission agreement dated 14 April 2022.
- Safety deposit box maintenance in accordance with the Bank's business terms and conditions.
- Contract for the provision of banking services for legal entities and entrepreneurs dated 30 September 2025.

With J&T MINORITIES PORTFOLIO LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Commission agreement No. 19181 for the procurement of purchase and sale of securities dated 20 August 2010.
- 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 NOVA Hotels SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for legal entities and entrepreneurs dated 19 November 2020.
- Current account maintenance in accordance with the Bank's business terms and conditions.

Contracts in force entered into between related parties:

- Contract for the custody of securities dated 20 December 2022.

With J&T ORBIT SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Transfer Agreement dated 19 January 2023, as amended.
- Contract for the provision of banking services for financial institutions dated 13 June 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 J&T RFI I., s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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 further amended.
- Current account maintenance in accordance with the Bank's business terms and conditions.

With J&T RFI IV., a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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., a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Framework agreement on the provision of services for legal entities and natural persons – entrepreneurs (self-employed) in the private banking sector, dated 10 September 2024 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 SERVICES ČR, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Financial settlement agreement dated 1 January 2009.
- Issue of a debit card in accordance with the Bank's business terms and conditions.
- Overdraft facility agreement No. CZK95/KTK/2013 dated 11 December 2013, as amended.
- Contract for cooperation in arranging social events dated 1 January 2014, as amended.
- Safety deposit box maintenance in accordance with the Bank's business terms and conditions.
- Contract for provision of expert support dated 6 August 2014 (payroll and personnel agenda activities), as amended.
- Contract for provision of services (outsourcing) – Consolidated Statements dated 1 September 2014, as amended.
- Contract for delegation of activities and provision of expert support dated 1 January 2015, as amended.
- Contract for provision of services (outsourcing) – Reporting dated 5 January 2015.
- Contract for sublease of a motor vehicle dated 23 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.
- Contract for sublease of business premises (Prosek Point) dated 1 October 2019.
- 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.
- Loan agreement No. CZK 50/OAO/2020 dated 11 November 2020.
- Cooperation Agreement in securing employee benefit services dated 30 June 2022.
- Cooperation Agreement (concierge) dated 1 September 2022 with J&T BANKA, a.s. pobočka zahraničnej banky.
- 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 No. 2 dated 30 June 2025.
- Contract for the provision of digital content services and the provision of other services dated 30 September 2023, as amended.

- Contract for the processing of personal data dated 15 December 2023, as amended, with J&T BANKA, a.s. pobočka zahraničnej banky.
- Contract for the provision of services (olas) dated 15 December 2023, as amended, with J&T BANKA, a.s. pobočka zahraničnej banky.
- Loan agreement No. CZK 46/OAO/2024 dated 11 December 2024.
- Contract for the provision of digital content dated 12 December 2024, as amended, with J&T BANKA, a.s. pobočka zahraničnej banky.
- Maintenance of a term deposit in accordance with the Bank's business terms and conditions.
- Agreement on assignment of contracts related to the use of the DigiSign application dated 19 September 2025.

Contracts in force entered into between related parties:

- Contract for provision of services dated 31 January 2013.
- Framework agreement on provision of banking services for legal entities dated 1 August 2017 with J&T BANKA, a.s. pobočka zahraničnej banky.
- Current account maintenance in accordance with the Bank's business terms and conditions.
- Contract for providing operation dated 27 July 2023.
- Personal Data Processing Agreement on the operation of the access system dated 16 July 2024.
- Agreement on termination of contracts dated 15 April 2025.

With J&T SERVICES SR, s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Brokerage contract dated 3 April 2013 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.
- Overdraft facility agreement No. EUR 15/KTK_SR/2014 dated 31 December 2014 with J&T BANKA, a.s. pobočka zahraničnej banky, as amended.
- Contract for delegation of activities and provision of expert support dated 1 January 2015, as amended by Addendum No. 2 dated 1 September 2025.
- 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.
- Personal Data Processing Agreement dated 1 July 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.
- Loan agreement EUR 03/OAO/2024 dated 8 April 2024.
- Framework agreement on the provision of services for legal entities and natural persons – entrepreneurs (self-employed)

in the private banking sector, dated 30 April 2024 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.
- 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 on terms and conditions of providing outsourcing services dated 17 January 2025 with J&T BANKA, a.s., pobočka zahraničnej banky.
- Cybersecurity cooperation agreement dated 1 September 2025.
- Personal Data Processing Agreement dated 1 November 2025 with J&T BANKA, a.s. pobočka zahraničnej banky.

Contracts in force entered into between related parties:

- Contract for sublease of a means of transport dated 23 January 2015, as amended by Addendum No. 8 dated 29 December 2023.
- Assignment agreement of the contract dated 31 March 2023.
- Purchase agreement on the sale of intangible assets dated 22 December 2023 with J&T BANKA, a.s. pobočka zahraničnej banky.

With J&T Wine Holding SE

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Current account maintenance 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 2025:

- Contract for the provision of banking services for financial institutions dated 8 October 2021.
- 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.

Contracts in force entered into between related parties:

- Contract for the custody of securities dated 28 April 2022.

With JTFG FUND II SICAV, a.s.

Contracts in force entered into between related parties:

- Contract for the custody of securities dated 25 April 2024.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Framework contract for the provision of banking services dated 5 March 2024.
- 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 JTFG FUND V SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for legal entities and entrepreneurs dated 4 January 2023.
- Contract for the custody of securities dated 2 March 2023.
- Current account maintenance in accordance with the Bank's business terms and conditions.

With Kolby Reisten a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Framework agreement on the provision of banking services dated 19 September 2017.
- Overdraft Loan Agreement No. CZK 13/KTK/2023 dated 21 June 2023.
- Agreement on assignment of the right to performance dated 20 November 2024.
- Agreement on assignment of the right to performance dated 29 October 2025.
- 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.

Contracts in force entered into between related parties:

- Agreement on assignment of lease agreement dated 1 April 2024.

With MARLEK LIMITED

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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.

- Contract for the provision of banking services for legal entities and entrepreneurs dated 21 April 2025.

With OSTRAVICE HOTEL a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- 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 2025:

- 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 2025:

- 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 based on which performance was provided in 2025:

- 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 Rustonka Development II s.r.o.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Agreement on Delegation of Activities and Provision of Professional Assistance dated 14 February 2024.

With Société Civil D'Exploitation du Chateau Teyssier

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Loan Facilities Agreement dated 9 December 2016, as amended.

Contracts in force entered into between related parties:

- 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 2025:

- 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.

With J&T ARCH INVESTMENTS SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Framework Agreement on Business Cooperation, Issuance, Exchange and Redemption of Investment Shares and Management of Investment Instruments, as amended.
- Contract for the provision of banking services for legal entities and entrepreneurs dated 26 April 2022.
- Contract for the custody of securities dated 28 April 2022.
- Framework Agreement on Financial Market Trading dated 19 May 2023.
- Administrator contract dated 20 June 2024, along with a special arrangement to the Agreement with the Administrator.

Contracts in force entered into between related parties:

- Current account maintenance in accordance with the Bank's business terms and conditions.

With JTFG FUND III SICAV, a.s.

Contracts in force entered into between related parties based on which performance was provided in 2025:

- Contract for the provision of banking services for legal entities and entrepreneurs dated 14 August 2025.
- 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 2025 to 31 December 2025, all information known as of the date of its signing.

Prague, 27 March 2026
Board of Directors
J&T BANKA, a.s.



J&T BANKA

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