



OTP Group Luxembourg  
**Disclosures**  
**2025**

(under Pillar 3)



# **DISCLOSURES OF OTP GROUP LUXEMBOURG 2025 (within the scope of Pillar 3)**



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## LIST OF ABBREVIATIONS

<b>AC</b>	Financial instruments at amortised cost
<b>AIRB</b>	Advanced IRB approach
<b>ALCO</b>	Asset-Liability Committee
<b>ALM</b>	Asset-Liability Management
<b>AML/CFT</b>	Anti-money laundering and countering the financing of terrorism
<b>AT1</b>	Additional Tier 1 capital
<b>BaU</b>	Business as Usual
<b>BCM</b>	Business Continuity Management
<b>BCP</b>	Business Continuity Plan
<b>BIA</b>	Basic indicator approach
<b>BRRD</b>	Bank Recovery and Resolution Directive
<b>BoS</b>	Bank of Slovenia (Banka Slovenije)
<b>CC</b>	Credit Committee
<b>CCF</b>	Credit conversion factor
<b>CCHRI</b>	Credit Committee for High-Risk Investments
<b>CCoB</b>	Capital conservation buffer
<b>CCR</b>	Counterparty credit risk
<b>CCyB</b>	Countercyclical capital buffer
<b>CEO</b>	President of the Management Board
<b>CES</b>	Climate, Environmental and Social Risk Framework
<b>CET1</b>	Common equity Tier 1 capital
<b>CCP</b>	Central counterparty
<b>CC&amp;S</b>	Climate Change and Sustainability
<b>CNS</b>	Risk exposure amount for contributions to guarantee fund
<b>COREP</b>	Common reporting standards
<b>Covid-19</b>	Coronavirus disease
<b>CRA</b>	Capital revaluation adjustment
<b>CRD</b>	Capital Requirements Directive
<b>CRM</b>	Credit risk mitigation
<b>CRO</b>	Chief risk officer (member of management board responsible for risk management)
<b>CRR</b>	Capital Requirements Regulation
<b>CRREM</b>	Carbon Risk Real Estate Monitor
<b>CSRD</b>	Corporate Sustainability Reporting Directive
<b>CUSIP number</b>	International security identification number for North America
<b>CVA</b>	Credit valuation adjustment
<b>C&amp;E</b>	Climate and environmental
<b>DFIs</b>	Derivatives
<b>DRP</b>	Disaster Recovery Plan
<b>EA</b>	Energy Agency's
<b>EAD</b>	Exposure at default
<b>EBA</b>	European Banking Authority
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>ECAI</b>	External credit assessment institution
<b>ECB</b>	European Central Bank
<b>ECL</b>	Expected credit losses
<b>EHQLA</b>	Extremely high-quality liquid assets
<b>EPBD</b>	Energy Performance of Buildings Directive
<b>EPC</b>	Energy Performance certificate
<b>ESG</b>	Environmental, social and governance
<b>ESRS</b>	European Sustainability Reporting Standards
<b>ETS</b>	Emissions Trading System
<b>EU</b>	European Union
<b>EVE</b>	Economic value of equity
<b>EWS</b>	Early warning system for detecting increased credit risk
<b>FINREP</b>	Financial reporting standards
<b>FIRB</b>	Foundation IRB approach



<b>FLI</b>	Forward-looking information
<b>FVOCI</b>	Financial instruments at fair value through other comprehensive income
<b>FTVPL</b>	Financial instruments measured at fair value through profit or loss
<b>GCC</b>	Group of Connected Clients
<b>GDP</b>	Gross domestic product
<b>GHG</b>	Global Standard for Greenhouse Gases
<b>HQLA</b>	High-quality liquid assets
<b>IAA</b>	Internal assessment approach
<b>ICAAP</b>	Internal Capital Adequacy Assessment Process
<b>ICMA</b>	International Capital Market Association
<b>IFRS 9</b>	International Financial Reporting Standard 9
<b>IILC</b>	Investment and International Lending Committee
<b>IL</b>	International Lending
<b>ILAAP</b>	Internal Liquidity Adequacy Assessment Process
<b>IMA</b>	Internal models approach
<b>IMM</b>	Internal model method
<b>IRB approach</b>	Internal ratings-based approach
<b>IST</b>	Income statement
<b>ISDA</b>	International Swaps and Derivatives Association
<b>ISIN</b>	International securities identification number
<b>KPI</b>	Key Performance Indicator
<b>KRI</b>	Key Risk Indicator
<b>LC</b>	Large Corporate
<b>LCR</b>	Liquidity coverage ratio
<b>LGD</b>	Loss given default
<b>LRCOM</b>	Leverage ratio (common disclosure)
<b>LRSpl</b>	Breakdown of on-balance-sheet exposures
<b>LRSUM</b>	Summary of reconciliation of accounting assets and leverage ratio exposure measure
<b>LTV</b>	Loan-to-value ratio
<b>NACE</b>	Statistical classification of economic activities in the European Community
<b>NATO</b>	North Atlantic Treaty Organization
<b>NFCI</b>	Net fee and commission income
<b>NII</b>	Net interest income
<b>NPEs</b>	Non-performing exposures
<b>NPs</b>	Natural persons (consumers)
<b>NSFR</b>	Net stable funding ratio
<b>NZE</b>	Net Zero Emissions
<b>OCR</b>	Overall capital requirement
<b>OLLP</b>	Overall Loan Loss Provision
<b>OSIIs</b>	Other systemically important institutions
<b>OSIB</b>	Other systemically important institution buffer
<b>OR</b>	Operational risk
<b>OUPN</b>	Workout Department
<b>P2G</b>	Pillar 2 Guidance
<b>P2R</b>	Pillar 2 own funds requirements
<b>PCAF</b>	Partnership for Carbon Accounting Financials
<b>PD</b>	Probability of default
<b>PIT</b>	Point in time
<b>PKP</b>	Act Determining Emergency Measures to Contain the Covid-19 Epidemic
<b>POCI</b>	Purchased or originated credit-impaired assets
<b>PPE</b>	Property, plant and equipment
<b>Pr75</b>	Business segmentation rulebook
<b>QCCP</b>	Qualifying central counterparties
<b>RAF</b>	Risk appetite framework
<b>RAC</b>	Risk absorption capacity
<b>RWA</b>	Risk-weighted assets
<b>SA</b>	Standardised approach
<b>SE</b>	Small Enterprises



<b>SFA</b>	Supervisory formula approach
<b>SFDR</b>	Sustainable Finance Disclosures Regulation
<b>SICR</b>	Significant increase in credit risk
<b>SID</b>	Slovenska izvozna in razvojna banka, d.d., Ljubljana
<b>SKD</b>	Standard classification of economic activities (national version)
<b>SISBON</b>	Slovenian information system on customer creditworthiness
<b>SLS</b>	Summit Leasing Slovenija d.o.o.
<b>SMEs</b>	Small and medium-size enterprises
<b>SREP</b>	Supervisory review and evaluation process
<b>Tier 2</b>	Tier 2 capital
<b>TLTRO</b>	Targeted longer-term refinancing operation
<b>TSCR</b>	Total SREP capital requirement
<b>TTC</b>	Through-the-cycle
<b>WACI</b>	Weighted average carbon intensity
<b>ZBan-3</b>	Banking Act
<b>ZDR-1</b>	Employment Relationships Act
<b>ZGD-1</b>	Companies Act



# 1 INTRODUCTION

OTP Group Luxembourg's disclosures for 2025 under Pillar 3 of the Basel standards (hereinafter: "the disclosures") have been prepared in accordance with the provisions of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (hereinafter: "the CRR") and its amendments, Directive 2013/36/EU and its amendments (hereinafter: "the CRD"), Commission Implementing Regulation (EU) 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 (hereinafter: "Implementing Regulation 2021/637") and its amendments, and other guidelines that specify disclosure requirements (e.g. regarding materiality, proprietary and confidentiality, disclosure frequency).

OTP banka d.d. is owned by the financial holding company OTP Luxembourg S.à r.l. In accordance with Article 13 of the CRR, institutions owned by EU financial holding companies must comply with the obligations laid down in Part Eight of the CRR at the highest level of consolidation and at the sub-consolidated level where relevant (as required under Articles 437, 438, 440, 442, 449a, 450, 451, 451a and 453 of the CRR). The information in this document is therefore disclosed at OTP Group Luxembourg level and, where relevant, at OTP Group Slovenia level as well. The disclosures have been drawn up by OTP banka, as the largest financial institution within OTP Group Luxembourg, and reflect the situation as at 31 December 2025.

The disclosures as defined in Article 450 of the CRR relating to the remuneration policy are not included in this document; instead, the bank will publish them in a separate document no later than two months after the publication of these Disclosures.

OTP banka has "other systemically important institution" (O-SII) status, which means that it is treated as a large institution under Article 4(146)(b) of the CRR, and as an institution that is not listed on the stock exchange under Article 4(148) of the CRR. The Bank is thus bound to the frequency and scope of disclosures set out in Article 433a(2) of the CRR.

The term "Group" used throughout this document refers to OTP Group Luxembourg and/or OTP Group Slovenia as relevant per individual section, while the parent OTP Group (Hungary) is referred to as "OTP Group".

## Macroeconomic environment<sup>1</sup>

Last year economic growth further slowed in Slovenia to a mere 1.1% (0.4 percentage points below the economic growth rate for the euro area), after the 1.7% growth of the year before and the high levels of growth in economic activity in the post-pandemic recovery period. Last year's GDP growth, following the contraction in GDP in the first quarter, was driven by domestic consumption, mainly final household and government consumption and government investments. Services remained the main factor in economic growth. With increased uncertainty on account of trade policies and domestic and regional structural challenges, conditions in the export-oriented portion of the economy remained difficult, with export volumes and value added in manufacturing falling slightly or broadly stagnating. This was reflected in the deferral of private investments, while joint investments were nevertheless slightly higher than the year before on account of ongoing public infrastructure projects. These projects boosted growth in value added in construction. Employment in Slovenia fell slightly last year on account of a reduction in the private-sector workforce, but still remained relatively high. As the fall in employment generally resulted from the non-replacement of retired workers, the unemployment rate nevertheless remained low. The services sector, where wages grew the most (particularly in the government sector), remained one of the main factors in the growth in prices in Slovenia. Inflation rose temporarily over the year, with the key contribution coming from the rise in food prices. It fell slightly by the end of the year to reach 2.6% in December. The average for the year was 2.5%.

Figures for the last quarter of 2025 and the confidence indicators for January 2026 show that Slovenia will continue to experience moderate economic growth. In the last current quarter (i.e. relative to the previous quarter), GDP increased by 0.4 percentage points, which represented a slowdown in current growth compared with the two previous quarters. Year-on-year growth was 2%. Current growth in the domestic economy was very slightly higher in the last quarter than initial assessments of economic growth in the euro area. This was different to economic growth for the whole year, which was lower in Slovenia. Towards the end of the year as well, domestic economic growth continued to be driven by government and infrastructural investments and household consumption, while conditions in manufacturing and the export sector remained uncertain. Exports were slightly higher than in the same quarter of 2024, while value added was slightly lower in manufacturing in year-on-year terms.

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<sup>1</sup> Bank of Slovenia, published 16 February 2026 (<https://www.bsi.si/sl/mediji/objave/lani-nadaljnja-upocasnitev-gospodarske-rasti>) and SURS – [Gross domestic product, 4<sup>th</sup> quarter 2025](#), published 16 February 2026.



According to Bank of Slovenia forecasts from December 2025, economic growth will rise above 2% this year while inflation will remain slightly above the 2% target for most of the forecast period. In terms of its factors, economic growth is expected to gradually become more balanced or broad-based. Investment and final government-sector expenditure, which was already an important factor in economic growth last year, will contribute strongly to a strengthening in GDP this year, where a further increase in government investment will also result from the fact that 2026 is an electoral year, and from the utilisation of EU funds under the current European financial framework and the recovery and resilience facility. There will also be an increase in private consumption, supported by high employment levels and continued nominal wage growth. Private investment is also expected to increase. This should help broaden the base of Slovenia's economic growth over the next two years. Economic growth in the euro area is expected to remain stable this year and for the next two years (between 1.2% and 1.4% according to the latest ECB estimates). With the assumed calming of trade tensions, this should contribute to renewed growth in exports and private corporate investments. This macroeconomic outlook is accompanied by persistent foreign trade and geopolitical risks.

## **Obligation to disclose information**

In order to maintain financial stability, the Bank of Slovenia carries out the following macro-prudential measures with a direct impact on the Group's own funds requirements and therefore also on its capital buffer requirements:

- (1) A sectoral systemic risk buffer in the amount of 0.5% entered into force on 1 January 2025 for all exposures to retail clients secured by residential real estate, and in the amount of 0.5% for all other exposures to retail clients.
- (2) Since 1 January 2025, banks have had to meet higher own funds requirements within the scope of the countercyclical capital buffer. The Bank of Slovenia raised the level of the countercyclical buffer for exposures in the Republic of Slovenia from 0.5% to 1.0% of total risk exposure.
- (3) Since 1 January 2025 and in accordance with the relevant Bank of Slovenia resolution, OTP Group Slovenia has had to take into account a higher buffer for other systemically important institutions in the amount of 75 basis points, up from the previous 50 basis points. This buffer has risen to 100 basis points since 1 January as a result of the merger of Nova KBM and SKB banka.

## **Macro-prudential instruments of the Bank of Slovenia**

The Group is obliged to disclose material information that, if omitted or misstated, would change or affect the assessment or decision of persons who use that information to make business decisions. The law allows for the possibility of the non-disclosure of information that is deemed confidential or a trade secret.

OTP banka has set out the method, frequency and verification of disclosure of material information in the Disclosure Policy of OTP Group Slovenia. All disclosures are prepared on a consolidated basis in thousands of euros, except where otherwise stated.

In accordance with Article 432 of the CRR, the Group has omitted disclosures (an entire template or certain rows or columns in a specific template) that are not relevant. The Group's disclosures are not audited. The Group's disclosures were approved by the Bank's Management Board.

In accordance with Articles 434 and 434a of the CRR, institutions are required to publish the disclosures referred to in Part Eight of the CRR in a centralised manner via the European Banking Authority (EBA), through the Pillar 3 Data Hub, which represents a single electronic access point for public access to disclosures (<https://www.eba.europa.eu/risk-and-data-analysis/pillar-3-data-hub>). The Group also publishes the Disclosures on the Bank's website <https://www.otpbanka.si>, in Slovenian and English, in the section intended for investors.



## 2 **RISK MANAGEMENT OBJECTIVES AND POLICIES**

This section defines the disclosure requirements set out in Article 435 of Part Eight of the CRR.

### 2.1 **STATEMENT OF THE MANAGEMENT BODY REGARDING POLICIES IN PLACE TO ENSURE THE FULFILMENT OF DISCLOSURE REQUIREMENTS UNDER PART EIGHT OF THE CRR**

As per Article 431(3) of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR II), the management body, comprising the Management Board:

**András Hámori, President of the Management Board**

**Spyridon Ntallas, member of the Management Board**

**Sabina Župec Kranjc, member of the Management Board**

**Miha Kristl, member of the Management Board**

**Vojko Božiček, Member of the Management Board**

and the Supervisory Board: **Imre Bertalan, Chair of the Supervisory Board,**

hereby confirms, by signing this statement, that the Group prepares the disclosures under Part Eight of the CRR (hereinafter: "the disclosures") in accordance with the Disclosure Policy of OTP Group Slovenia (hereinafter: "the Disclosure Policy"), which is updated at a minimum annually or in the event of regulatory changes, and which ensures that the disclosures are prepared in accordance with Part Eight of the CRR and other legal requirements. The method, frequency and verification of the disclosure of material information are included in the Disclosure Policy. In accordance with the Disclosure Policy, the Group employs internal controls and procedures for ensuring the accuracy of disclosed information. The administrators of specific content are responsible for primary controls.



Key elements of the Disclosure Policy include:

- the definition of the roles and responsibilities of organisational units included in the preparation of the disclosures;
- the identification of information for publication (in accordance with EBA GL/2014/14 and Articles 432 and 433 of the CRR);
- the disclosure of information on the basis and in the manner required by legislative provisions;
- instructions for contributions from organisational units, and the coordination and control thereof;
- approval of the disclosures by the Management Board; and
- publication of the disclosures on the Bank's website.

Ljubljana, 24 March 2026

**Management Board of OTP banka**

**Vojko  
Božiček**  
Member

**Miha  
Kristl**  
Member

**Sabina  
Župec Kranjc**  
Member

**Spyridon  
Ntallas**  
Member

**András  
Hámori**  
President

**Supervisory Board of OTP banka**

**Imre Bertalan**  
Chairman



## 2.2 GENERAL INFORMATION REGARDING RISK MANAGEMENT OBJECTIVES AND POLICIES

This section includes the disclosures required under Article 435(1) of the CRR, which are set out in Table EU OVA (Institution risk management approach) in the Guidelines.

### 2.2.1 RISK MANAGEMENT STRATEGIES AND PROCESSES

*(Article 435 (1a) of the CRR)*

#### 2.2.1.1 Disclosure of information at OTP Group Luxembourg level

Since the change in ownership, OTP banka has been owned by the EU parent financial holding company OTP Luxembourg S.à r.l., and is therefore required to disclose the relevant information and data set out in Part Eight of the CRR on the consolidated financial position of OTP Group Luxembourg.

In order to ensure compliance with risk management legislation at the consolidated level, OTP banka included risk management and reporting obligations at the consolidated level of OTP Group Luxembourg in its own methodological approach where appropriate. That methodology is described in the following sections of this document.

#### 2.2.1.2 Disclosure of information at OTP Group Slovenia level

The Group's mission is to ensure the security of its operations, to take-up risks in a serious and responsible manner, and to achieve the highest standards of risk management. In the scope of the risk appetite framework, the Group defined the objectives of the future take-up and management of risks, taking into account its risk profile, the envisaged and expected development of the Group's operations, its business and investment strategies, the asset and liability management (ALM) strategy, including the IT strategy, non-performing loan management strategy, ESG strategy, business plan and funding plan. The Group regularly identifies and measures various types of risks that arise in its operations.

The risk appetite framework is based on six pillars:

- the identification and measurement of risks;
- the risk appetite framework;
- the risk appetite statement;
- the risk absorption capacity, the establishment of operational limits, the establishment of an allocation system, and the monitoring of the use of allocated own funds and the liquidity buffer;
- risk management;
- the definition of roles and responsibilities.

The Bank defined the following risk management objectives at the Group level in its risk appetite framework:

- moderate, sustainable and long-term profitability;
- the generation of profits while accepting moderate credit risk;
- the acceptance of significant yet diversified risk from exposures to governments and investment-grade financial institutions with the aim of ensuring the high liquidity of assets;
- the acceptance of low funding risk and market liquidity risks;
- the accelerated integration of ESG risks in the business and management environment of the Bank and banking group.

The Group is introducing climate and environmental risks in its business strategy and business plan, and in its risk management framework. The Group strives to maintain these types of risks at low or moderate levels in accordance with the objectives of its ESG strategy. The Group is taking a progressive approach to the integration of ESG risks/factors in its business planning and risk management framework, with a clear emphasis on lending activities. The Group aims to adjust its investment and loan portfolios over the short and medium terms to ensure that they are in line with Slovenia's climate commitments. It also aims to increase its commitments to finance the transition to a low-carbon or carbon-neutral economy; and



- to maintain the other risks to which the Group is exposed at a low or moderate level.

The risk management process reflects the Group's comprehensive approach and includes the following:

- the identification of the risks to which the Group is exposed in its operations;
- a risk materiality assessment;
- the identification and assessment of risk factors;
- risk measurement based on established methods and models, continuous monitoring of exposure to specific risks, and systematic and comprehensive reporting;
- the performance of stress tests and sensitivity analyses, the results of which are used in the decision-making process and the making of strategic decisions;
- definition of risk appetite, including a definition of the key risk factors;
- a limit system, with an early warning system;
- learning from and adaptation to the changing business environment, which includes the re-assessment of limits and methodologies for setting limits in order to ensure that OTP Group Slovenia operations are stable and secure over the long term.

The monitoring and management of individual types of risk are defined in detail in the relevant risk management policy and the associated methodologies, which take into account the specific characteristics of individual types of risk. Each policy or methodology is the responsibility of one person who ensures the harmonisation of a specific bylaw with other bylaws, taking into account the applicable legislation, guidelines, recommendations and best banking practice. The Group has the following in place in the area of internal risk management:

- a risk management policy;
- a risk management methodology;
- a risk appetite statement that defines the appetite for a particular type of risk, as well as the level of key risk indicators;
- a comprehensive limit system, including operating limits and an early warning system; and
- a comprehensive system for monitoring and reporting on risk exposure.

Decisions on the risk appetite framework, the establishment of an operational limit system, risk management policies, and methodologies for measuring, monitoring and managing risks within the Group are made by OTP banka as the largest credit institution in the Group. All Group companies manage risks in accordance with legal requirements and internal policies or methodologies that reflect their activities and the scope of operations. Persons at the Bank responsible for individual policies and methodologies must be familiar with the method used to manage the risks covered by those policies and methodologies at all Group companies, and have the ability and duty to influence the establishment of an appropriate method for managing and measuring individual risks at Group companies. Risk management procedures are carried out independently at the level of each individual company. The Group has defined reporting methods, report content, reporting frequency and report recipients for each individual type of risk.

All OTP Group Slovenia companies treat risk management as the continuous process of identifying, measuring and managing the risks that arise in the course of their operations.

In accordance with the CRD, ECB guidance and European Banking Authority (EBA) SREP guidelines, the Bank carries out the Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP).

Reliable, effective and comprehensive ICAAP and ILAAP are based on two pillars, i.e. economic and normative perspectives that are mutually complementary.

#### 2.2.1.2.1 Internal Capital Adequacy Assessment Process (ICAAP)

At least once a year, the Group critically reviews its risk profile and appetite for individual types of risk in the scope of an integrated process, from the identification of risks to the performance of stress tests and the drafting of a recovery plan and the feedback process, which then affect regular processes and strategic decisions.



Identifying the risks to which the Group is exposed in its operations is the first step in the ICAAP. The identification of risks is the task of every Group employee. The acceptable level of and method for measuring and monitoring individual types of risk are defined by experts who specialise in the management of such risks. The organisational unit responsible for defining the acceptable level of and method for measuring and monitoring risks is organisationally segregated from the units that take-up risks.

The risks to which the Group is exposed in its operations and the methods for measuring particular types of risk are presented in section 5.1 of the disclosures. The Group deems the following types of risk to be material: credit risk (in particular default, concentration, migration risk), interest rate risk in the banking book, credit spread risk in the banking book, strategic risk, operational risk and liquidity risk.

Credit risk is the most important risk to which the Bank is exposed in its operations. In addition to credit risk, the Bank has identified the following types of risks that it addresses in the scope of credit risk:

- credit concentration risk;
- FX lending risk;
- country risk;
- settlement risk;
- residual risk;
- migration risk;
- project financing risk;
- specialized lending risk;
- variable lending risk;
- counterparty credit risk;
- country risk, and
- real estate risk.

The treatment of ESG risks is based on the inclusion of ESG factors in existing risk types where they are relevant, rather than as stand-alone risks.

In the scope of the ICAAP, the Bank:

- regularly updates the ICAAP framework in place;
- ensures that internal processes, such as business planning, decision-making, ILAAP and the Recovery Plan, interconnect with ICAAP;
- calculates and plans Pillar 1 and Pillar 2 own funds requirements, capital and capital ratios;
- determines the risk appetite at Group level and at the level of specific risk types;
- determines the key risk factors and the associated threshold values within the scope of the planning process, and when performing internal stress tests and sensitivity analyses. The Bank defines the threshold values of selected risk indicators within the scope of the ICAAP from the normative and economic perspectives, and as part of the recovery and resolution process;
- performs internal stress tests and sensitivity analyses; and
- analyses the effects of the above-described processes and proposes to the governance body the measures required to limit risk exposure.

The Group employs a Rulebook on the Validation of the ICAAP and ILAAP Methodology, which describes the validation process, the frequency of validation, responsibilities, reporting, and corrective measures that follow validation. The rulebook also includes a register of ICAAP and ILAAP methodologies that are subject to validation.

The Bank strives for the continuous improvement of the ICAAP. Improvements are currently aimed at upgrading the economic perspective and, in this context, identifying and assessing risk factors, and performing sensitivity analyses and internal stress tests.



#### 2.2.1.2.2 Internal liquidity adequacy assessment process (ILAAP)

The purpose of the ILAAP of the Group is to manage and identify, assess, measure and mitigate risks to which the Group is exposed in its business activities.

The ILAAP is in line with the Bank's business model, size, complexity, risks and market expectations. It includes all qualitative and quantitative information on which the risk appetite is based, including a description of the systems, processes, and methodology used to measure and manage liquidity and financing risks.

The main objectives of the ILAAP include:

- the planning of actual and potential cash inflows with respect to cash outflows, and the assessment of liquidity risk through the calculation of liquidity ratios;
- ensuring an adequate level of liquid investments or other forms of liquidity in relation to liquidity risk;
- the monitoring of the appropriate structure of liabilities and financial assets;
- the calculation of liquidity ratios;
- the establishment of limits and maintenance of a limit system to limit exposure to liquidity risk;
- the performance of various liquidity stress tests, including an adverse scenario;
- the definition of the economic and normative perspectives of the ILAAP;
- the definition of links between the ICAAP, ILAAP, the recovery plan, liquidity resolution and the planning process; and
- the availability and maintenance of a liquidity contingency plan should liquidity problems arise.

The Group continued to upgrade the ILAAP in 2025. It further updated the ILAAP policy and methodology and the ILAAP methodology for the performance of stress tests, which comprehensively covers in detail the performance of all liquidity stress tests within the Group.

Within the scope of liquidity resolution, the Group has defined key members of OTP Group Slovenia, key liquidity factors, a developed methodology, rapid and slow stress tests, and the use of risk mitigation measures.

In the scope of the separate monitoring of market liquidity risk and funding liquidity risk, the Group also identified intraday liquidity risk and asset encumbrance risk. As a result of the introduction of unlimited instant payments, it introduced the monitoring of the end-of-day liquidity position.

The Group regularly updates the liquidity contingency plan. The Group also simulates liquidity crises in order to verify the appropriateness of predefined procedures for managing a liquidity crisis through the activation of available measures to mitigate liquidity risk. The exercise indicated that the Group is capable of reacting swiftly and effectively to a liquidity crisis and that established procedures are appropriate.

The Group draws up its annual business plan within the framework of its risk appetite. The structure of and approach to the funding of business under the business plan is defined in detail in the refinancing plan. The refinancing plan provides a detailed definition of individual segments of funding with regard to geographical origin, the maturity structure of funding, and realised and projected funding costs. The refinancing plan outlines the scope of the projected funding for the next three years. The document also covers business continuity in crisis conditions and contains a sensitivity analysis. It is evident from the refinancing plan that the Group's funding is diversified and stable, as a large portion of funding comes from deposits by non-bank customers.

The Group has a Rulebook on the Validation of Risk Management Quantification Methodologies. It describes the validation process, the frequency of validation, responsibilities, reporting and the corrective measures that follow validation. The rulebook also contains inventories of risk management quantification methodologies that are subject to validation.

#### 2.2.1.2.3 Performance of internal stress tests and sensitivity analyses

The Group has established a process for performing internal stress tests and sensitivity analyses that are used to assess its ability to continue as a going concern in less favourable operating conditions. At the request of regulators, the Group also performs regulatory stress tests. The performance of stress tests and sensitivity analyses is set out in the Stress-Testing Policy of OTP Group Slovenia. The Group performs regulatory stress tests taking into account the methodologies prescribed by regulators, while in



performing internal stress tests, it uses an internally established policy and methodologies, which define scenarios, input data and a timeframe, assumptions, risk parameters, measurement techniques, thresholds and proposed management measures.

The Group performs the following types of stress tests and sensitivity analyses:

- stress tests at the request of the Bank of Slovenia/European Central Bank;
- stress tests/sensitivity analyses in the scope of the ICAAP;
- stress tests/sensitivity analyses in the scope of the ILAAP;
- stress tests in the scope of the recovery plan;
- regulatory, internal capital, liquidity and climate-related ICAAP/ILAAP stress tests and sensitivity analyses;
- other occasional stress tests (i.e. when launching a new product).

### **Use of stress tests in the decision-making process:**

The Group presents the results of stress tests and sensitivity analyses to the Supervisory Board, the Bank's Management Board and to other relevant stakeholders, with the aim of briefing them on the results, findings and proposed mitigation measures in the further operations of the Group.

As part of ICAAP stress tests and sensitivity analyses, the Bank also assesses the adequacy of the management buffer and the Pillar 2 Guidance (P2G) included in the internally required limits of the capital adequacy ratios and the MREL requirements.

### **Performing stress tests in the scope of the ICAAP**

Stress tests and sensitivity analyses are performed at least once a year as part of the ICAAP with the aim of assessing the impact of a major economic downturn and other unexpected events on the risk profile, and the capital and/or financial position of the Group.

In the scope of the ICAAP, the Bank prepares internal macroeconomic stress scenarios that differ from one another depending on the intensity of the economic crisis and the impact of macroeconomic and geopolitical risk factors on the risk parameters and portfolios covered by the stress test. The key assumptions of ICAAP stress scenarios include the following:

- scope of risks:
  - credit risk, covering a portion of assets through the impact on the credit portfolio's size, and own funds through the effect of impairments in the profit and loss statement, which is one of the components of own funds;
  - market risks covering a portion of assets through the following:
    - a shock to debt securities held in the banking book (covering a portion of assets and own funds via the effect of revaluation adjustments),
    - a shock to equities held in the banking book (covering a portion of assets and own funds via the effect of revaluation adjustments), and
    - loans measured at fair value through profit or loss (covering a portion of assets and own funds via the effect on profit or loss);
  - funding risk through the effect of the size of the liability portfolio on profit or loss due to shocks on margins and volumes; the risk is also correlated with volumes and margins on the asset side;
  - operational risk of the effect on profit and loss items;
  - profitability risk and interest rate risk in the banking book, covering the impact on:
    - net interest income – NII (as a result of all risks, covering part of profit or loss),
    - net fee and commission income – NFCI (covering part of profit or loss),
    - operating costs (covering part of profit or loss),
    - losses arising from market risk (revaluation of securities),
    - losses arising from credit risk (expected credit losses), and
    - losses arising from operational risk.



- Scenarios covering all of the above-stated risks include:
  - A baseline scenario based on the business plan and representing the planning of own funds, own funds requirements and capital adequacy based on a "bottom-up" business plan. A dynamic balance sheet assumption is used.
  - A slowdown scenario, which is the macroeconomic scenario that the Bank deems is most likely to be realised and that envisages a slowdown in macroeconomic growth relative to the business plan. The objective of this scenario is to test the business plan in an economic environment that is less favourable than forecast. Used in this scenario is a dynamic balance sheet assumption that is based on the fact that the adopted business plan is also feasible under changed macroeconomic conditions.
  - An adverse scenario, which envisages an economic downturn or an even deeper recession, if the economy is already in recession, which simultaneously affects all risk factors. This scenario defines a series of systemic risks that may threaten the Group's financial stability and trigger special shocks, including growth in gross domestic product (GDP) in the EU. The approach selected for the adverse scenario is static because it assumes that the Bank will not follow its adopted business plan in the event of a severe crisis, but will seek to maintain the status quo. Notwithstanding the above, the Bank incorporates a dynamic component in stress testing in subsequent years when performing stress tests on the static volumes (new and rolled-over exposures) of the credit and treasury portfolios, and in the case of deposits and costs.
  - A reverse scenario is defined as the determination of the point of collapse where macroprudential supervisory own funds requirements are no longer met. Based on an inverse loop, the Bank defines the macroeconomic assumptions that correspond to such a point of collapse.
- Macroeconomic assumptions: the Bank analyses forecasts of key macroeconomic risk factors (indicators) published by various local and international organisations, and it forecasts the values of macroeconomic assumptions in various stress scenarios using internal tools and expert judgement. For that purpose, the Bank also takes into account, inter alia, the forecasts prepared by the parent bank, OTP Bank.
- Geopolitical assumptions: the Bank studies the assumptions underlying the macroeconomic forecasts from the previous indent from the perspective of the geopolitical situation as well and, following an assessment, places a deterioration in the geopolitical situation or the occurrence of a relevant geopolitical shock or a combination of multiple shocks in the adverse scenario.
- Risk parameters assessed on the basis of internal models:
  - exposure at default (EAD),
  - probability of default (PD),
  - loss given default (LGD).
- Time components: ICAAP stress tests cover a period of three years and are carried out at OTP Group Slovenia level
- Measurement techniques: the Bank employs an internal methodology that it uses to assess the effects of specific risks and risk parameters on the final results of stress tests
- ICAAP stress tests are deemed successfully completed when the minimum established limits for the following are exceeded:
  - Common Equity Tier 1 capital ratio,
  - total capital ratio, which take into account the required regulatory and internal limits of the above ratios.
  - Leverage ratio
  - MREL requirements
- Evaluation of results: the Bank presents the effects of the following in the scope of stress-testing results:
  - risk factors (risk parameters),
  - effects on the balance sheet and profit and loss account, including the effects of the impact of a stress test on the size of individual portfolios,
  - capital adequacy ratios, regulatory own funds and risk-weighted assets,
  - leverage ratio, the cost of risk, the MREL and liquidity ratios, and
  - sensitivity analysis following an assessment of all of the above-described effects on the Group's key portfolios
- When performing reverse ICAAP stress tests and stress tests in the scope of the recovery plan, the Group employs a uniform methodology for determining minimum capital adequacy ratios and a uniform escalation process.
- The roles and responsibilities for performing stress tests are defined in the Group's existing bylaws.



If sensitivity analyses are performed in the scope of the ICAAP from the normative and economic perspectives, the Bank analyses the sensitivity of risks/portfolios to certain risk factors or changes in risk parameters and impacts on the normative economic solvency ratio. With the aid of the sensitivity analyses performed, the Bank also assesses the adequacy of the management buffer included in the internally required limits of the capital adequacy ratios and the MREL requirements.

The Bank also performs stress tests when introducing new products and services, if so required by the provisions of bylaws.

The Bank engages independent external validators for the validation of internal models, while certain models are validated by the parent bank, OTP Bank. The validation process is set out in the model validation methodology.

The Bank reports to management bodies and regulators regarding stress testing and sensitivity analyses.

## **Performing stress tests in the scope of the ILAAP**

The performance of stress tests in the scope of the ILAAP is an integral part of the Group's overall risk management. The results of stress tests affect the decision-making process and the adoption of strategic decisions. The aim of performing stress tests is to ensure sufficient liquidity even in stress conditions.

The main assumption of measuring and managing liquidity risk is the survival period in stress conditions. This means that the Bank can survive a pre-determined period of stress conditions without adopting additional measures. In this way, the Bank ensures the time required to adopt measures in accordance with its risk appetite framework and ensures its long-term viability. The survival period is defined in relation to the internal liquidity buffer and cumulative net funding gap.

The Bank regularly implements various liquidity management scenarios, including through the use of methods to mitigate liquidity risk, and on the basis of the results of stress tests verifies the assumptions that serve as the basis for decisions in connection with ensuring the appropriate liquidity of the Bank and Group.

Based on such scenarios, the Bank defines the method used to ensure an adequate liquidity position, while taking into account:

- the normal course of operations (baseline scenario); and
- emergency liquidity conditions (stress scenario).

Stress scenarios are divided into three main groups:

- a scenario adjusted to the Bank's own liquidity position, i.e. an idiosyncratic scenario, which assumes the loss of renewable major sources of liquidity (e.g. institutional investors and large enterprises) without the provision of collateral by the Bank, and a decline in deposits by minor investors;
- a scenario conditioned by the situation on the market, which assumes a decline in the liquidity of assets and a deterioration in the terms for obtaining liquidity on the market; and
- scenarios based on a combination of the two aforementioned scenarios.

Stress scenarios are based on various levels of severity and different lengths for the period of emergency liquidity conditions. They take into account the impact on on- and off-balance-sheet items, and other contingent liabilities. The Bank implements each of these stress scenarios (idiosyncratic, market and combined) at two levels of difficulty that are defined based on the predetermined quantile of an empirical distribution of each risk factor. Key risk factors that are analysed by the Bank include downgrades, changes in the market value of investments, outflows of demand and time deposits, the larger liquidation of off-balance sheet items and lower inflows from loans. Assumptions for scenarios that derive from statistical analysis can be revised based on an expert opinion, in particular where the timeframe for statistical analysis is small and an expert in such cases facilitates the consideration of historical events.

ILAAP stress tests are deemed successfully completed when the minimum established limits for the following are exceeded:

- LCR;
- NSFR;
- Survival period;
- Internal liquidity buffer.



A stress test is performed at least once a year for the liquidity contingency plan and recovery plan. The Bank reports regularly to the ALCO and in the scope of the CRO report regarding stress tests performed.

### **Performance of stress tests linked to ESG, with a special emphasis on climate risks**

The Bank included the performance of climate-related stress tests in its internal policy and methodology on the performance of stress tests with the primary aim of the short-term and long-term integration of stress tests and analyses in this area.

The Bank performs annual internal climate-related ICAAP and ILAAP stress tests, thereby analysing the sensitivity of the risk profile and performance indicators to climate-related risk factors. The results of climate-related and environmental stress tests for a one-year period that the Bank conducts within the scope of the ICAAP go towards an evaluation of the appetite to take on climate-related and environmental risks.

For the purpose of managing, measuring and monitoring ESG risks/factors, the Bank continuously collects actual data and improves the quality thereof with the help of clients and other sources. The Bank also dedicates special attention to the formulation of an internal assessment methodology where data are not available.

## **2.2.2 STRUCTURE AND ORGANISATION OF THE RELEVANT RISK MANAGEMENT FUNCTION INCLUDING INFORMATION ON ITS AUTHORITY AND STATUTE, OR OTHER APPROPRIATE ARRANGEMENTS**

*(Article 435 (1b) of the CRR)*

This section discloses the structure and organisation of the Group's risk management and the risk management functions as required under Article 435(1)(b) of the CRR.

### **2.2.2.1 Disclosure of information at OTP Group Luxembourg level**

Certain members of the Management Board of OTP Luxembourg S.à r.l. are also members of the Supervisory Board of OTP Group Slovenia, as presented in section 2.2.2.2. As owner representatives, those persons also perform a controlling function at OTP Group Slovenia level.

### **2.2.2.2 Disclosure of information at OTP Group Slovenia level**

The Group has a risk management structure that defines the active role of the Bank's Supervisory Board and Management Board, as well as the appropriate structure of the risk management function, which is separated in organisational terms from other business areas at the Bank. Key decisions are made at the level of the Management Board and Supervisory Board.

To ensure the systematic control of exposure to material risks, the Group has established a system of internal controls at all levels of the organisational structure. Responsibility for establishing and implementing internal controls lays with persons responsible for individual areas at the Bank. Internal control functions are in place to ensure an independent and objective assessment of effectiveness and compliance with regard to the Bank's internal governance arrangements on the basis of the review and assessment of the adequacy of risk strategies and policies, the Bank's risk management processes, procedures and methodologies, and reporting on risks by the Bank and Group companies. Control functions represent three lines of control: the risk function, the compliance function and the internal audit function. The task of the Compliance Department is to ensure the proper management of compliance risk, i.e. to ensure the proper operations of the Bank in accordance with the applicable regulations, legislation and standards of good practice. The role of the Internal Audit Department is to ensure an independent assessment with regard to the quality and effectiveness of internal governance arrangements, including the Bank's risk management systems and processes and internal controls, and to provide assurances to the management body, Audit Committee and senior management regarding the adequacy of internal governance arrangements. The Internal Audit Department supports and assists the management body in safeguarding the Bank's long-term interests and protecting its reputation. As part of the assessment regarding the quality and effectiveness of internal governance arrangements, the Internal Audit Department also performs independent assessments of the work of the risk management and compliance functions through the internal audit process.

In terms of internal governance, the Bank therefore has several governance levels in place to ensure the effective management of risks. Decisions in connection with the management and take-up of material risks are adopted by the decision-making bodies presented below.



## 1. Supervisory Board and Management Board

As at 31 December 2025, the Bank's governance bodies were the Management Board (six members), the Supervisory Board (eight members) and the General Meeting of Shareholders.

### MANAGEMENT BOARD

The Management Board had six members as at 31 December 2025. Detailed information about the Management Board can be found in Section 2.4. Information regarding governance arrangements.

### OTP BANKA COMMITTEES AND BOARDS

- **Credit Committee**

The Bank's Credit Committee makes decisions within its powers regarding all loans to customers, in accordance with the competences, procedures and decision-making methods in place at the Bank with respect to loan origination.

The committee has four members. The committee's chair is the member of the Management Board responsible for corporate banking. Meetings of the committee are convened once a week.

- **Investment and International Lending Committee**

The Investment and International Lending Committee discusses and makes decisions regarding international investments in accordance with the Bank's investment strategy and lending policy. It decides on international lending activities (syndicated loans, direct lending, promissory notes, etc.) on foreign markets, and on the Bank's investments within the framework of its debt securities portfolio. The committee comprises four members from the areas of finance and risk management and meets on a weekly basis. The committee's chair is the member of the Management Board in charge of the area of financial markets and the Bank's operational business.

- **Credit Committee for high-risk investments**

The Bank also operates a Credit Committee for high-risk investments, which takes decisions regarding non-performing loans. The committee comprises six members. The committee is chaired by the member of the Management Board responsible for finance and planning. The committee meets once a week.

- **Liquidity Commission**

The Liquidity Commission monitors the situation and adopts measures to ensure short-term liquidity. The commission has six members and is chaired by the member of the Management Board responsible for financial markets and operational business. The Liquidity Commission meets once a week. Independently of meetings of the commission, the Asset and Liability Management Sector drafts standard material on liquidity on a daily basis and uploads it to the document platform, from where it can be viewed by all members of the commission.

- **Asset-Liability Committee (ALCO)**

The ALCO assesses and monitors the structure of the statement of financial position, capital adequacy, interest rate risk, structural liquidity, market risks, currency risks, the profitability and results of profit centres, financial plans, aggregate credit risk, regulatory requirements, the tax aspects of operations, and other risks associated with new products and services. The committee comprises six members, and is chaired by the member of the Management Board responsible for finance and planning.

The ALCO meets once a month.

- **Operational Risk Committee**

The Operational Risk Committee is responsible for monitoring, measuring, assessing, and managing operational risks. It has 11 members and is chaired by the member of the Management Board responsible for risk management (Chief Risk Officer).

The committee meets at a minimum quarterly.

- **Crisis Management Committee**

The Crisis Management Committee is the decision-making body responsible for managing crises. The committee makes independent decisions regarding all proposals for immediate action aimed at crisis management, including decisions regarding the use of extraordinary financial and other assets. The committee meets and functions when crises occur. It is chaired by the President of the Management Board.

- **Model Risk Committee**

The committee is responsible for reviewing model risk management, the register of models, model risk appetite and take-up, and the model risk management statement. It is responsible for the approval and submission of final decisions to the Management



Board in connection with new risk models and changes to existing models, the adoption of the Bank's bylaws regarding model risk management, the results of the assessment of materiality and risk models, plans and reports in connection with model validation. The committee comprises eight members. It is chaired by the Chief Risk Officer.

It typically meets once a month.

- **Data Management Committee**

The Data Management Committee oversees data within the organisation, and ensures that it is managed and used effectively. It ensures that data is secure, of high quality, accessible and in compliance with regulations, and also supports the organisation's capacity to use data in decision-making, innovation and growth. The committee's task is to inform, study, discuss, advise and decide on issues relating to the following data management-related areas:

- Data management framework;
- Data quality management;
- Data architecture;
- Data protection and security;
- Data analysis and business intelligence;
- Data access;
- Data linking;
- Data catalogues and metadata management;
- Data lifecycle management;
- Personal data management;
- User participation and training;
- Data literacy.

The committee has eight permanent members and is chaired by the Chief Data Officer (CDO).

- **Development Committee**

The Development Committee is responsible for strategic planning, and for discussing, categorising, prioritising and adopting key decisions in all areas relating to project management and IT, including IT direction, at the Bank, and has been assigned certain decision-making powers and authorisations for those purposes. The committee consists of seven members, and is chaired by the member of the Management Board responsible for digital operations.

- **Customer Experience and ESG Management Committee**

The mission of this committee is to ensure that the customer experience and ESG management strategy is carried out throughout the whole organisation, and to exploit as much as possible the potential business opportunities stemming from customer experience management and the ESG transformation, including the identification and management of climate-related risks and opportunities.

The committee comprises 12 members, with the chair and deputy chair being appointed from among those members with a vote for a one-year period starting on 1 January.

- **Climate Change and Sustainability Committee**

The Climate Change and Sustainability Committee is responsible for the comprehensive and effective implementation of the ESG strategy with the aim of managing the associated risks and opportunities. The committee's mission is to ensure the comprehensive implementation of the ESG strategy across the organisation, to define, assess, manage and mitigate climate-related risks, and to exploit to the greatest extent possible the business opportunities presented by the ESG transformation.

The committee comprises 11 members and is chaired by the director of the ESG sector.

- **Corporate Client Monitoring Committee**

This committee is a decision-making body to which the Bank's Management Board has transferred certain powers through the Bank's bylaws regulating the approval and monitoring of investments. The committee's powers relate to monitoring and handling the portfolio of performing investments/clients and the entire portfolio of domestic and international lending for corporate clients. The committee manages credit risks by taking into account the implementation of the Lending Policy for OTP Group Slovenia



operations with corporate and financial market customers, along with other applicable regulations and the Bank's bylaws. The committee consists of five members. It is chaired by the head of the Client Monitoring and Prevention Department.

- **Consumer and MSE Credit Risk Management Committee**

This committee is a decision-making body to which the Bank's Management Board has transferred certain powers through the Bank's bylaws regulating the approval and monitoring of investments. Its powers relate to managing, monitoring and handling the portfolio of performing and non-performing investments/clients. It manages credit risks by taking into account the implementation of OTP Group Slovenia's Policy on Consumer Loans and Loans to MSEs, along with other applicable regulations and Bank bylaws. The committee has six members and is chaired by the director of the Retail Credit Risk Sector.

## **SUPERVISORY BOARD**

In accordance with the Articles of Association, the Supervisory Board comprises a minimum of six and a maximum of 11 members who are appointed by the Bank's General Meeting of Shareholders. It had eight members as at 31 December 2025.

Detailed information about the Supervisory Board can be found in Section 2.4. Information regarding governance arrangements.

## **COMMITTEES OF THE SUPERVISORY BOARD**

The following committees performed their work in accordance with the Companies Act (ZGD-1) and Banking Act (ZBan-3) during the 2025 financial year: the Audit Committee, the Remuneration Committee, the Nomination and Governance Committee, and the Risk Committee.

- **Audit Committee**

The Audit Committee provides the Supervisory Board with expert support in the supervision of the management of the Bank and Group companies regarding matters within its powers, in particular the assessment of the internal control and risk management systems, the assessment of accounting and financial reporting, the lawfulness and ethics of the Bank's operations, and the assessment of internal and external auditing at the Bank and Group companies.

The Audit Committee performs its activities in accordance with the law (ZGD-1), the Bank's Articles of Association and the internal audit charter, which defines the purpose and composition of the Audit Committee, the conditions and methods of its work, and the competences and responsibilities of its members. The area and method of work of the Audit Committee, its decision-making process and all other matters deemed important for its functioning are regulated by the rules of procedure of the Audit Committee.

The committee had four members as at 31 December 2025: Dr Andrej Fatur (chair), Dr Marko Košak (deputy chair), Dr Tünde Barabás (member) and Sándor István Pataki (member).

- **Nomination and Governance Committee**

The Nomination and Governance Committee provides the Supervisory Board with expert bases for decision-making, particularly in connection with personnel issues relating to the performance of the function of the Management Board and Supervisory Board member, the composition of the management body, the appointment of members, and the provision of diversity, professionalism and independence. It conducts an annual performance assessment of the management body, reviews succession plans, and assesses the reappointment of members of the management body. The committee also monitors corporate management, and ensures compliance with policies, legal standards and ethical guidelines.

The area and method of work of the Nomination Committee, its decision-making process and all other matters deemed important for its functioning are regulated by the rules of procedure of the Nomination Committee.

The committee had four members as at 31 December 2025: Tamás Bernáth (chair), Dr Andrej Fatur (deputy chair), Imre Bertalan (member) and Ana Mitkova Florova (member).

- **Remuneration Committee**

The main purpose of the Remuneration Committee is to assist the Supervisory Board in the performance of its supervisory function in connection with remuneration that affects risks and risk management.



The area and the method of work of the Remuneration Committee, its decision-making process, and all other issues deemed important for its work are regulated by the rules of procedure of the Remuneration Committee.

The committee had four members as at 31 December 2025: Draga Cukjati (chair), Tamás Bernáth (deputy chair), Sándor István Pataki (member) and Ana Mitkova Florova (member).

- **Risk Committee**

The main purpose of the Risk Committee is to provide the Supervisory Board with expert assistance in the performance of its supervisory functions in connection with the preparation of decisions relating to risk management and the risk profile, and the implementation of the Risk Management Strategy. The area and the method of work of the Risk Committee, its decision-making process, and all other issues deemed important for its work are regulated by the rules of procedure of the Risk Committee.

The committee had four members as at 31 December 2025: Marko Košak (chair), Draga Cukjati (deputy chair), Tünde Barabás (member) and Imre Bertalan (member).

## **2. Internal control mechanisms according to the model of three lines of defence**

The Bank has defined the organisational structure of internal control mechanisms according to the model of three lines of defence, within the scope of the Internal Control System Policy at OTP banka and OTP Group Slovenia.

Internal controls, as the first line of defence, are the primary tool for managing business risk. The primary objective of internal controls is to reduce risks to an acceptable level (risk mitigation), and to prevent intentional and unintentional errors and irregularities. The Bank has internal controls in place at all organisational levels, including business, control, and support functions, and at the level of each product and service of the Bank, with a clear and documented decision-making process, a clear segregation of responsibilities and powers, and a clear work process defined by internal instructions.

Internal control functions, as the second and third lines of defence, provide an independent and objective assessment of effectiveness and compliance with regard to the Bank's internal governance arrangements on the basis of the review and assessment of the adequacy of risk strategies and policies, the Bank's risk management processes, procedures and methodologies, and reporting on risks.

### **RISK MANAGEMENT TASKS**

OTP Group Slovenia's risk management function ensures independent control over the management of the risks that arise from the Group's activities. The Bank's core internal risk management policies establish a clear mandate for the risk management function in terms of its objectives and powers in relation to other functions, and provide the risk management function access to the information needed to prepare assessments, analyses and reports that support the Management Board's decision-making process. Policies are regularly reviewed and updated in order to reflect both external (in particular legislative) events, and internal changes and objectives.

OTP Group Slovenia's risk management function is responsible for ensuring effective processes are in place for:

- regularly identifying and defining the risks and risk factors to which the Group is exposed in the course of its business activities;
- developing methods and models for assessing and measuring risks, alongside the established risk validation process;
- developing, maintaining and monitoring the risk management strategy, risk appetite framework, and the risk management policies and methodologies;
- defining and regularly updating the ICAAP and ILAAP framework;
- performing internal stress tests and sensitivity analyses in the scope of the ICAAP and ILAAP, and with regard to climate risks;
- regularly upgrading the ICAAP and ILAAP in terms of process automation;
- performing a risk-related review of the consequences of new business activities proposed by the Bank's commercial functions;
- developing and maintaining reports and analyses relating to the risks to which the Bank is exposed, mainly from the point of view of credit risk, credit spread risk and interest rate risk in the banking book, market, liquidity and operational risks, reputational risk and strategic risk;
- implementing the Bank recovery and resolution directive (BRRD), and the processes of the Bank and the banking group; developing and maintaining recovery and resolution plans.



In addition to the above, the risk management function has established an early warning system (EWS) for detecting increased risk. It is designed to identify new risks within the Bank's portfolio that arise in the course of the Group's operations in good time, and enable the Bank to take the appropriate steps and mitigate the risks as quickly as possible.

### **IDENTIFICATION AND ASSESSMENT OF RISKS AND RISK FACTORS**

The risk identification process includes the annual process of drafting the register and the set of risks to which the Bank and the Group are exposed in the course of their business operations, the definition of a materiality threshold for each risk and continuation of the risk profile assessment process. The risk identification and assessment process also includes a definition of specific types of risk, most commonly in accordance with legislative policies, the ongoing analyses of existing risks, and the identification of new or emerging risks relevant to specific organisational units.

The risk identification and assessment process includes the regular process of assessing the materiality of those factors and setting out a process for incorporating them into risk management processes.

Risk assessment as part of the risk profile assessment process serves as the basis for defining/changing the materiality of risks and determining the qualitative/quantitative ICAAP measures in relation to the Group's readiness to assume risks.

### **RISK APPETITE**

The risk appetite framework (RAF) defines the Bank's risk profile and the corresponding level of risks the Bank is prepared to accept in order for the Group's business objectives to be achieved. Risk appetite is quantified in the risk appetite statement, which serves as the basis for communicating the Group's risk appetite throughout the organisation. The RAF is thus reflected in and determines the business strategy.

In accordance with legal requirements, the risk management function has direct access to the Supervisory Board, while a regular reporting process to the Management Board is in place regarding the main risks to which the Group is exposed in quantitative and qualitative terms, with key risk indicators being assessed in terms of the three limit levels set out in the Risk Appetite Statement.

## **Compliance function**

As an element of the system of internal control mechanisms, the compliance function manages compliance risk through regular monitoring, assessment, measures and reporting. The compliance function reports directly to the Bank's Management Board and is functionally and organisationally segregated from the Bank's other functions in which conflicts of interest could arise vis-à-vis the compliance function. The compliance function has unlimited access to all information required for the performance of its tasks and responsibilities.

Compliance risk is the current and expected risk of losses in connection with income, capital and the Bank's reputation due to breaches of or failure to comply with laws, the requirements of supervisory bodies (e.g. Bank of Slovenia, European Central Bank, Securities Market Agency, etc.), rules and regulations (internal and external), agreements, prescribed practices, and the ethical standards set out in the Code of Ethics of OTP banka d.d. and OTP Group Slovenia.

The primary objective is the Bank's commitment to operating in accordance with valid regulations and ethical standards in order to safeguard the core values, integrity, ethics and reputation of the Bank and Group. The continuous management of compliance risk in this area is required to achieve the aforementioned objective, including, in particular, the management of all risks that could bring the Bank or Group into disrepute, cause financial damage, result in legal or regulatory sanctions, or affect employees, customers, contractors, suppliers, shareholders and all other stakeholders who cooperate with or wish to cooperate with the Bank or Group.

The preventive management of compliance risk includes the regular monitoring of all changes to valid legislation on the one hand and ensuring the implementation of those changes in the Bank's bylaws and processes on the other, as well as the establishment, propagation and actual implementation of a culture of compliance and integrity across the Bank and Group. The latter is based on the principle of equity and the Bank's zero-tolerance policy with regard to unauthorised conduct.

To that end, the compliance function:

- informs and educates employees with regard to the values, policies and processes that help ensure that the Bank acts responsibly and fulfils all valid obligations;



- provides advice and assistance to the Bank as a whole and to its employees with regard to measures that contribute to the prevention of non-compliance;
- establishes internal controls and improves the effectiveness thereof;
- manages compliance risk management systems, and identifies, assesses, monitors and reports on risks;
- addresses identified events that indicate possible breaches of regulations in the broadest sense or the ineffectiveness of safeguards (inadequate arrangements or security controls), or that indicate a previously unknown situation that could be relevant with regard to compliance;
- addresses all adverse or unplanned events that cause or could cause an unwanted situation at the Bank. Adverse events include, in particular, errors (the aspect of an event) and unauthorised conduct;
- regularly verifies and tests internal controls and resilience to specific compliance risks;
- continuously monitors new and amended regulations and rules, and the implementation thereof; and
- analyses compliance risk by actively participating in the verification of whether new products are launched in accordance with valid regulations, standards and the Bank's bylaws.

The compliance function draws up an assessment of the compliance risks to which the Bank and Group are exposed at least once a year or when necessary, i.e. in the event of material changes in operations (geographical expansion, new products, new owner, etc.) or material changes in the regulatory environment (e.g. new regulations). That assessment also sets out the planned management of identified risks, taking into account previously envisaged or planned measures and activities to manage/mitigate compliance risks. Also defined in that regard are priorities with respect to the identified level of compliance risks. The compliance function reports regularly to the management body and relevant organisational unit with respect to the aforementioned assessment, together with proposed measures for improvement of internal controls in the event of increased compliance risk. The compliance function submits an annual report and annual compliance risk assessment to the Bank's Management Board and Supervisory Board for review and approval.

Given the specific nature of the tasks and activities of the Bank's compliance function, the employees who perform the compliance function require a high level of professional competences in the area of law and the appropriate work experience. Also desired is knowledge in the areas of banking, economics (finance) and the Bank's business processes. For that purpose, employees who perform the compliance function attend regular training in the area of compliance.

## **Internal audit function**

The Bank employs a three-line system in order to ensure effective governance, risk management and internal control systems. Serving as the third line is the Internal Audit function, which is organised as a sector.

The Internal Audit function conducts internal auditing in accordance with:

- the Global Internal Audit Standards,
- the Code of Internal Auditing Principles,
- the Code of Ethics of Internal Auditors,
- the valid legislation, and
- the Internal Audit Charter.

The OTP banka Internal Audit Department is responsible for the internal audit function at the Bank and at OTP Group Slovenia. The parent bank's subsidiaries may have their own internal audit function in accordance with legal requirements and/or the decision of their owners. According to the Internal Audit Charter, the OTP banka Internal Audit Department is responsible for internal auditing at all subsidiaries as part of the performance of its control activities. Decisions regarding auditing at subsidiaries are adopted based on annual planning, which in turn is based on risks. All subsidiaries must comply with the rules of the Internal Audit Charter.

For the purpose of performing its tasks, the internal audit function has the comprehensive and unlimited right to request the submission of information and documentation, and the right to review and investigate.

Principles of the Internal Audit Department's work:



- it is an independent organisational unit that is functionally and organisationally segregated from the Bank's other organisational units;
- reports directly to the entire Management Board of OTP banka, the parent OTP Group's Internal Audit Department, the Audit Committee and the Supervisory Board;
- reports to the President of the Management Board (CEO) on disciplinary and organisational matters;
- the head of the Internal Audit Department is responsible for the performance of auditing tasks in accordance with the law and standards; and
- auditing tasks are performed in accordance with the annual audit plan, which is submitted to the parent OTP Group's Internal Audit Department, the Bank's Management Board and the Supervisory Board/Audit Committee in accordance with the law.

Operating principles of the Internal Audit Department:

- Independence in the planning of internal auditing. The Internal Audit Department independently draws up an annual plan based on risks in accordance with OTP Group Slovenia's risk-based internal audit planning methodology and the requirements of its Internal Audit Department. The Bank's Management Board approves that plan with the consent of the Supervisory Board.
- Independence in auditing, reporting and the assessment of the results of auditing. Independence is ensured in the scope of the audit process. The Bank's Management Board receives audit reports following coordination with audited areas/organisational units.
- Inclusion of the Internal Audit Department in other activities. Auditors only perform auditing activities. If other activities are performed, it must be ensured that an auditor's impartiality is not impaired as a result.
- Impartiality. Once a year, every internal auditor must declare any conflicts of interest that could impair their impartiality.
- Education and training. In accordance with the law, the sector must have at least one employee with the title of certified internal auditor. Appropriately qualified staff must be in place to ensure the quality of internal auditing. This is ensured by the Bank through an annual education and training plan.

The Internal Audit Department ensures the quality of internal auditing through external assessments performed at least every five years and through annual internal assessments. The aforementioned external assessment provides the assurance of an independent assessor that internal auditing work is performed in line with professional standards and rules. The most recent external assessment report was drafted in December 2022 (by PWC Zurich) and indicated that the work of the internal audit function is in line with all relevant standards.

### **2.2.3 SCOPE AND NATURE OF RISK MEASUREMENT AND REPORTING**

*(Article 435 (1c) of the CRR)*

As a systemically important institution, the Group is subject to direct supervision by the ECB, and is thus included in the Single Supervisory Mechanism (SSM), the supervision of which falls under the jurisdiction of the Joint Supervisory Team, which comprise European and national supervisory authorities. The Group operates in line with the provisions of regulations issued by the ECB and SRB, the reporting standards, guidelines and requirements of the EBA and, in certain cases, the provisions of local regulators.

The Group takes a systematic approach to measuring and reporting exposure to individual types of risk from a normative (Pillar 1) and economic (Pillar 2) perspective within the scope of the ICAAP and ILAAP, and from a regulatory and internal perspective. In the scope of Pillar 1, the Group is obligated to meet regulatory reporting requirements; in the scope of Pillar 2, the Group measures and reports on risks based on internally established and developed methodologies for measuring risks and reporting on exposures to individual types of risk. In the scope of Pillar 1, the Group uses the standardised approach to measure credit and market risks, and the basic indicator approach for measuring operational risk. More information about the selection of risks, risk measurement approaches and information regarding exposure to risks can be found in sections 5, 9, 12, 13, 15, 16, 17 and 19-21 of these disclosures.

The persons responsible for managing and reporting on specific risks are independent from the organisational units that take up risks, which in turn prevents conflicts of interest.

Reports that are discussed by various internal stakeholders and regulators take into account requirements for objective, comprehensive and transparent reporting about individual risks. The Group strives for the standardisation and automation of the reporting process.



## 2.2.4 **POLICIES FOR HEDGING AND MITIGATING RISK, AND THE STRATEGIES AND PROCESSES FOR MONITORING THE CONTINUING EFFECTIVENESS OF HEDGES AND MITIGANTS**

*(Article 435 (1d) of the CRR)*

The Bank has a core document on the acceptance and management of risks, i.e. the Risk Appetite Strategy with Risk Appetite Statement, and the Operational Limits Handbook at OTP Group Slovenia level (and, where relevant, at OTP Group Luxembourg level). That handbook includes:

- risk appetite, overall and by individual type of risk;
- precisely defined thresholds for key risk indicators;
- precisely defined exposure thresholds for a specific risk, internal segment, product, etc. linked to the risk appetite limit and key risk indicators;
- an early warning system for detecting when the indicator and risk appetite thresholds are being exceeded, and measures and responsibilities in the event that the threshold values are exceeded.

The monitoring and management of individual types of risk are defined in detail in the risk management policy, which takes into account the specific characteristics of individual types of risk. Each policy is the responsibility of one person who ensures the harmonisation of an individual policy with other policies, and with the applicable legislation and best banking practice. Defined is the minimum scope of an individual policy, which includes a definition of activities during the current year, the definition of risk, the method for measuring, reporting and limiting exposure, and a clear definition of the tasks of individual persons.

The following bylaws are deemed the most important risk management and control strategies, policies and rules at Group level:

- Strategies:
  - Business Strategy
  - Asset and Liability Management (ALM) Strategy
  - Investment Strategy
  - Trading Strategy for Financial Instruments in the Trading Book
  - IT Strategy
  - ESG Strategy
  - OTP Group Slovenia Funding Plan
- Credit risk:
  - Credit Risk Management Policy
  - Corporate and Financial Markets Lending Policy
  - Lending Policy for Private Individuals and Micro Companies
  - Credit Protection Policy
- Pillar 1 capital adequacy:
  - Capital And Capital Requirements Management Policy
- Market risks:
  - Market Risk Management Policy
  - Interest Rate Risk Management Policy
  - Hedge Accounting Policy
- Operational risks:
  - Framework for implementing the Operational Risk Management Policy
  - Operational Risk Management Policy
  - Outsourcing Policy
  - Compliance Policy
  - IT Security Policy
  - Policy Governing the Management of Risk Associated with Information and Communication Technology (ICT)



- External Fraud Risk Management Policy
- Reputation Risk Management Policy
- ICAAP and ILAAP:
  - ILAAP Policy
  - Internal Capital Adequacy Assessment Policy (ICAAP)
  - Interest Rate Risk and Credit Spread Risk Management Policy
  - Model Risk Management Policy
  - Stress Testing Policy
  - Model Risk Management Policy
  - Rulebook on the Development, Validation and Monitoring of Models
- The Group's other management policies and strategies:
  - Corporate Governance Policy of OTP banka and of companies within OTP Group Slovenia
  - Policy on the Assessment of the Suitability of Members of Management bodies and Key Function Holders ("Fit & Proper Policy")
  - Internal Control System Policy
  - Disclosure Policy
  - Remuneration Policy
  - Anti-Corruption Policy
  - Data Management Policy
  - Dividend Policy
  - Policy on the Risk-Adjusted Return on Capital (RaRoC)
  - Rulebook on the Introduction, Modification and Withdrawal of Products
  - Policy on the Drafting of OTP Group Slovenia Strategies, Plans and Forecasts
  - Resolution Policy
  - ESG Policy

Risk management policies form the basis for the management of individual risks across the entire Group. In line with the scope of their operations, Group companies may use their own approach to managing specific risks, with the consent of the responsible person at the parent bank.

The Group manages, assesses and monitors credit risk through the following main activities:

- the definition of the credit risk attached to an individual debtor or product and an assessment of the expected credit losses according to international accounting standards;
- the coordination and updating of credit policies according to product and customer segment;
- the development, validation and calibration of credit risk models in support of the assessment of creditworthiness and the calculation of impairments and internal capital;
- the provision of an appropriate level of capital to cover credit risks;
- the establishment of a comprehensive limit system, aligned with the Risk Appetite Strategy and ICAAP;
- the creation of suitable financial and non-financial collateral policies and procedures to mitigate losses in the event of non-payment;
- the continuous monitoring and analysis of debtors' performance and their classification to the appropriate credit rating grades;
- the regular monitoring of the key indicators of portfolio quality;
- the prompt and ongoing recognition of non-performing exposures and the verification of compliance with conditions for termination of non-performing status;
- the monitoring of risks associated with the portfolio on the basis of risk parameters, such as probability of default (PD) and loss given default (LGD).

The management and mitigation of liquidity risk (ILAAP) is carried out on the basis of:

- limit systems;



- the daily monitoring of the liquidity position and liquidity ratios;
- the performance of stress tests;
- the ILAAP Methodology;
- the ILAAP Methodology as it relates to the performance of stress tests;
- the Methodology of the OTP Group Slovenia Liquidity Contingency Plan;
- other risk assessment methodologies, reporting, the adoption of measures and the monitoring of their success;
- IT support for the appropriate documentation of data and the prevention of operational risk.

The management and minimisation of interest rate risk in the banking book takes place on the basis of:

- the established limit system;
- the monthly monitoring of the interest rate position;
- the performance of internal and regulatory stress tests;
- interest rate risk policies and methodologies;
- hedging of interest-rate risk using derivatives;
- IT support for the appropriate documentation of data and the prevention of operational risk.

The management and minimisation of credit spread risk in the banking book takes place on the basis of:

- the established limit system;
- the monthly monitoring and simulation of the position;
- the performance of internal and regulatory stress tests;
- credit spread risk policies and methodologies;
- IT support for the appropriate documentation of data and the prevention of operational risk.

The management and mitigation of market risk is carried out on the basis of:

- the established limit system;
- the daily monitoring of the EWS;
- the performance of stress tests;
- risk assessment methodologies, reporting and the adoption of measures, and the monitoring of the success thereof;
- hedging of interest-rate risk using derivatives;
- IT support for the appropriate documentation of data and the prevention of operational risk.

The management and mitigation of operational risk (OR) is carried out on the basis of:

- the established Operational Risk (OR) Loss and Event Data Rulebook;
- established OR self-assessment and scenario analysis methodologies;
- the established risk indicator management framework;
- the daily monitoring of OR loss events;
- the established outsourcing risk management framework; and
- the definition and monitoring of appropriate measures to prevent the repetition of OR loss events.

The management and mitigation of other types of risks, material in terms of the ICAAP, are carried out on the basis of:

- the establishment and monitoring of a limit system and EWS, where appropriate;
- the performance of stress tests and sensitivity analyses where appropriate;
- established risk assessment and measurement methodologies;



- reporting on risks and the proposal of the necessary measures to mitigate exposure to risk and the monitoring of the success of those measures;
- the established system of internal controls; and
- the established system for defining the roles and responsibilities of individuals responsible for managing individual types of risks.

## 2.2.5 **DECLARATION OF THE MANAGEMENT BODY REGARDING THE ADEQUACY OF RISK MANAGEMENT ARRANGEMENTS**

*(Article 435 (1)(e) and (1)(f) of the CRR)*

In accordance with Article 17 of the Regulation on internal governance arrangements, the management body and the internal capital adequacy assessment process for banks and savings banks and Articles 435(1)(e) and 435(1)(f) of Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR), the management body comprising the Management Board:

**András Hámori, President of the Management Board**

**Spyridon Ntallas, member of the Management Board**

**Sabina Župec Kranjc, member of the Management Board**

**Miha Kristl, member of the Management Board**

**Vojko Božiček, Member of the Management Board**

and the Supervisory Board: **Imre Bertalan, Chair of the Supervisory Board,**

hereby confirm, by signing this declaration, that the risk management function, which is an independent area within the Bank's organisational scheme, is adequately arranged. The risk management system is appropriate with respect to the Bank's risk profile and strategy, and its capacity to take-up risks.

Within the framework of its Governance Policy and its Internal Control System Policy, the Group has put in place an effective internal governance system based on the concept of three lines of defence, where the risk management function represents the second line of defence. The risk management function is an independent organisational unit.

### **Risk Management Function and Risk Appetite Framework**

The risk management function is an important part of the overall governance of the Group and is based on the OTP Group Slovenia Risk Appetite Strategy, which defines the concepts, objectives and procedures in connection with the conscious acceptance of risks. The Risk Appetite Strategy is linked to the Group's business strategy, ICAAP, ILAAP, the implementation of stress tests, including sensitivity analyses, and other processes/strategies material for the governance of the Group. The main elements of the Risk Appetite Strategy are included in the risk appetite statement which serves as the basis for informing the Bank's organisational units about OTP banka's risk appetite. This approach provides for the proper implementation of the Group's risk management strategy.

The basis for the drafting of the Risk Appetite Strategy is the identification of the risks associated with the Group's current and future operations. Risks are identified using the appropriate process, which is an integral part of the assessment of the Bank's risk profile in the scope of the ICAAP and ILAAP. The identification of risks is carried out with the help of quantitative and qualitative models and covers both the risks to which the Group is already exposed and the risks to which it might be exposed in the future. The result of the risk identification process is a list of risks that are subsequently assessed and managed in the scope of the ICAAP and ILAAP processes. The materiality of individual types of risks is defined based on an assessment of each type of risk during the risk quantification process through the definition of the materiality of risks and the need to allocate capital or a liquidity buffer. This is performed with the help of an assessment of the probability of the realisation of risks and the occurrence of a loss event, an assessment of the appropriateness of controls established to mitigate individual risks and on the basis of the results of stress tests from the business plan and sensitivity analyses. The need to allocate capital or a liquidity buffer is assessed, and a limit system established for identified and assessed risks.



## Risk Appetite Statement and Risk Bearing Capacity

In its risk appetite statement, the Group defines the overall scope and type of risks that it is willing to accept or avoid achieving its business objectives. Defined in that statement is the risk appetite framework which sets out a list of material and other risks, as well as key risk indicators relating to capital adequacy, liquidity, asset quality and profitability. Those indicators are monitored on a regular basis. For the purpose of defining its risk appetite, the Group has established threshold values for the aforementioned key risk indicators by acceptance level based on forward-looking assessments, as well as risk triggers. The established risk appetite is further integrated in the limit system, together with the early warning system. The limit system is defined in the Group's Operational Limits Handbook which is a separate document enclosed with the risk appetite statement.

In addition to the risk appetite statement, the Group has also defined its risk-bearing capacity. Risk-bearing capacity determines the maximum scope of risks that OTP Group Slovenia is capable of taking up and is defined by the amount of Common Equity Tier 1 capital (CET1) which is in line with the "going concern" approach defined in the ICAAP framework. In the scope of the ILAAP, this is represented by available, highly liquid assets, and the definition of the minimum required liquidity buffer that must be ensured by the Bank for a three-month period of emergency liquidity conditions.

Risk-bearing capacity represents the starting point for the definition of the overall risk appetite, which is also defined for each type of risk by the need to allocate capital or a liquidity buffer, and by the total utilisation of the acceptable scope of risks with respect to the risk appetite. When determining its risk appetite, OTP Group Slovenia takes into account the most recent list of risks, the utilisation of limits by individual type of risk, and by individual organisational unit, segment and product, where appropriate. The risk appetite is in line with the Group's business plan and the results of the internal stress tests. The Group regularly monitors the utilisation of risk-bearing capacity through key risk triggers and reports them to the Bank's bodies. The risks that the Group is willing to take-up do not exceed its risk-bearing capacity.

The performance of stress tests and sensitivity analyses is also an integral part of the overall risk management process within the Group. The results obtained from both processes are used in the decision-making process and in the adoption of strategic decisions. Stress tests and sensitivity analyses are performed in scope of the ICAAP, ILAAP and the Recovery Plan.

The Bank includes environmental, social and governance risks in risk management and other internal processes, with an emphasis on environmental and climate risks. That process is continuously updated to achieve the associated goals and commitments in connection with sustainable development and the transition to a low-carbon society.

An effective risk management system, which is based on the business model put in place at the Group level, and also effective corporate governance, have made a comprehensive contribution to reducing SREP requirements in recent years.

## Risk profile

The Bank employs a comprehensive process for identifying types of risks to which it is exposed in its operations. The risks identified and assessed in the OTP Group Slovenia Risk Profile do not deviate from the risks identified for OTP Group Luxembourg. The Bank monitors identified risks in the form of a risk register. A narrower set of risks assessed during the drafting of the risk profile is confirmed by risk owners and other responsible persons, including the Bank's Management Board, and represents the risks to which the Group is exposed in its operations. The risks identified and assessed in the scope of the risk profile are further addressed in the internal capital and liquidity assessment process.

The treatment of ESG risks is based on the inclusion of ESG factors in existing risk types where they are relevant, and not as separate risks in order to avoid the duplication of the associated effects. The Risk Appetite Strategy includes (1) target guidelines regarding the implementation of ESG risks in the Group's operations and (2) key ESG risk indicators.

The Group employs a similar approach when identifying geopolitical and macroeconomic risks, where it establishes the presence and impacts of both types of risk on other types of risk as part of the process of defining and assessing risk factors.

The assessment of the risk profile for 2025 is in line with expectations regarding business policies and the business environment, and global macroeconomic and geopolitical developments. Risks identified as predominant are compliance risk, certain types of credit risk, and information and physical security risk. The Group is proactive in adopting and carrying out appropriate measures to mitigate the identified risks/threats, chiefly those assessed as important or material.



## Risk-bearing capacity, risk appetite and established limit system

The risk appetite statement is a written statement regarding the overall scope and type of risks that the Group is willing to take-up or avoid to achieve its business objectives. The risk appetite statement (RAS) expresses the capacity to consciously take up risks, which is defined by a set of quantitative measurements and qualitative statements. The risk appetite is defined as the highest level of risk that the Group can take up with respect to own funds and liquidity, its ability to manage and control risks, and regulatory constraints.

Defining the risk appetite is an integral part of business planning and the planning of regulatory own funds and own funds requirements, the planning of liquidity needs, and the performance of stress tests. The risk appetite is defined at the level of each type of risks with the need for the allocation of own funds, and in a total amount as a proportion of the risk-bearing capacity. The latter is represented by the amount of Common Equity Tier 1 capital.

Every year, or more frequently as required, the Management Board approves the risk appetite statement in the scope of the risk appetite framework in order to ensure compliance with the business strategy, the business and regulatory environments, and the requirements of stakeholders.

The risk appetite statement links established key risk indicators, the results of the ICAAP and ILAAP, the normative and economic perspectives, and the limit system, together with the early warning system.

The key risk indicators link the Group's business strategy, business plan and risk profile. The table below illustrates the selected key risk indicators defined in the Group's risk appetite statement as at 31 December 2025. All the key risk indicators on the reporting date were adequately clear of the internal thresholds put in place.

**Table 1:** Values of selected key risk indicators as at 31 December 2025 for OTP Group Luxembourg

Solvency	<b>Common Equity Tier 1 capital ratio</b>	19.76%
	<b>Total capital ratio</b>	20.32%
	<b>Leverage ratio</b>	9.52%
	<b>Economic solvency ratio</b>	56.30%
	<b>MREL TREA*</b>	31.34%
	<b>MREL LRE*</b>	15.10%
Liquidity	<b>LCR</b>	395%
	<b>NSFR</b>	179.14%
	<b>Survival period</b>	> 360 days
Asset quality	<b>NPL ratio</b>	3.03%
	<b>Coverage of non-performing loans</b>	46.54%

\*Information at OTP Group Slovenia level

The economic perspectives of the ILAAP set out the required size of the internal liquidity buffer, which consists of high-quality available liquid assets intended to cover funding liquidity risk and market liquidity risk. The Group sets a minimum requirement for the internal liquidity buffer as the liquidity risk appetite.

## Strategic business planning, and capital and liquidity adequacy planning process

The Bank carries out an annual strategic business planning process to define the Group's future strategic business priorities. The aim of the business plan is to establish a comprehensive planning process, which also contains an investment strategy and is aligned with the regulatory own funds/own funds requirements/capital adequacy plan.

Such an approach translates long-term strategic business objectives into measurable short-term and medium-term financial targets, and facilitates the monitoring and management of the success of the business plan during the year.



The purpose of the business planning process is to achieve:

- balanced, risk-weighted operations across all business areas and organisational units;
- high risk management standards;
- compliance with regulatory requirements; and
- stable capital and liquidity position.

The process of strategic planning and capital and liquidity adequacy planning provides for the following:

- the assessment of key risk management indicators, taking into account strategic priorities and the business plan;
- the assessment of Pillar 1 and Pillar 2 own funds requirements and, in connection with this, an assessment of own funds or own funds instruments requirements;
- the assessment of the need for MREL-eligible liabilities;
- the assessment of the risk-bearing capacity with regard to internal and regulatory own funds or liquidity requirements;
- the assessment of the risk appetite and thresholds of key risk indicators, and the establishment of a limit system for each type of risk; and
- the performance of stress tests for the purpose of assessing the impact of stress scenarios on capital adequacy, own funds and liquidity.

The business plan for the next three years is approved by the management body.

## **Resolution planning**

The Group Resolution Plan is prepared by the resolution authorities, rather than by the Group itself. The Group works closely with the Single Resolution Board (SRB) and the Bank of Slovenia (BoS) which established the Group Resolution Plan. The Resolution Plan is based on a multiple point of entry resolution as the preferred resolution strategy. Under the SPE bail-in strategy, the Bank would be recapitalised through a write-down and/or conversion to equity of own funds instruments and other eligible liabilities to stabilise the Bank.

To further support and improve resolvability the Group has established a **multi-annual resolvability work programme**, which defines resolution planning activities. The programme includes, inter alia:

- the updating of the stand-alone Separability Analysis Report (SAR), where the sale of the company is envisaged as an alternative strategy in the resolution of the Bank;
- the completion of the stand-alone Business Reorganisation Report (BRP), which defines minimal activities and business areas that the Bank must ensure in the event of resolution in the form of a bail-in, as well as measures that the Bank would implement during the reorganisation of operations;
- the drafting of the stand-alone Liquidity in Resolution – Reporting on Liquidity During a Period of Resolution document, which covers reporting roles and responsibility, a description of the required information systems and a self-assessment of the Bank's liquidity exercise; and
- the drafting of an updated Bail-In Playbook with two comprehensive dry-run reports regarding valuation and the bail-in procedure.

The Group's Management and Supervisory Boards regularly review progress with regard to the multi-annual resolvability work programme.

## **Minimum requirement for own funds and eligible liabilities (MREL)**

The Bank Recovery and Resolution Directive (BRRD) requires banks in EU member states to maintain the MREL in order to make resolution credible by establishing sufficient loss absorption and recapitalisation capacity. The Group regularly analyses and monitors the MREL and includes it in full in its comprehensive risk management system.



The Group's MREL based on the total risk exposure amount (TREA) as defined by Bank of Slovenia decision, is set at 22.36%. Together with the combined buffer requirement (CBR), it amounts to 27.00%. The MREL TREA and MREL LRE were 31.34% and 15.10%, respectively, as at 31 December 2025.

Ljubljana, 24 March 2026

**Management Board of OTP banka**

**Vojko  
Božiček**  
Member

**Miha  
Kristl**  
Member

**Sabina  
Župec Kranjc**  
Member

**Spyridon  
Ntallas**  
Member

**András  
Hámori**  
President

**Supervisory Board of OTP banka**

**Imre Bertalan**  
Chairman



## 2.3 INFORMATION REGARDING RISK MANAGEMENT OBJECTIVES AND POLICIES BY RISK CATEGORY

This section covers the disclosures required under Article 435(1) of the CRR and are set out in the guidelines defined in Commission Implementing Regulation (EU) 2021/637 for each individual risk category.

### 2.3.1 GENERAL QUALITATIVE INFORMATION REGARDING CREDIT RISK

This section includes the disclosures required under Articles 435 and 442 of the CRR and defined in Article 8 of Commission Implementing Regulation (EU) 2021/637.

Credit risk is the risk of loss arising from the failure of an obligor to settle its obligations to a Group company, and is the basic risk to which the Group is exposed in its activity. As the core document, OTP Group Slovenia's risk appetite framework includes quantified strategic objectives in connection with the take-up of credit risk.

Credit risk management includes the identification, measurement and reduction of risks to an acceptable level that is in line with the established business strategy, risk appetite framework and risk appetite statement. Credit risk is managed at the level of customer, individual Group company and the Group as a whole.

The Group monitors, mitigates and manages credit risk:

- by defining the risk associated with an obligor and assessing expected credit losses in accordance with the International Financial Reporting Standards;
- by ensuring sufficient capital to cover credit risks;
- by limiting exposure in the scope of the limit system, which is directly integrated into the risk appetite framework and ICAAP; and
- by appropriately securing financial assets.

For the purpose of mitigating credit risk, decision-makers from the risk management function are included in the decision-making process (decisions according to the four-eyes principle).

#### 2.3.1.1 Non-performing exposures

The Group defines as non-performing exposures (NPEs) such exposures for which it reasonably considers that the borrower will not be able to settle all its liabilities by the contractual deadline, or expects them not to be repaid without debt restructuring, collateral liquidation or the sale of receivables.

The Group classes exposures that satisfy any of the following criteria as NPEs:

- the exposure has the status of "defaulted" or is classified as Stage 3 in accordance with IFRS 9 and the Group's Methodology for Assessing Expected Credit Losses;
- it meets the conditions referred to in Article 178 of Regulation (EU) No 575/2013 (CRR), including:
  - being past due more than 90 days,
  - being unlikely to pay;
- the exposure was forborne, whereby the Group has recognised a material economic loss or assesses that the obligor's liabilities are unlikely to be repaid;
- the exposure is already treated as non-performing and does not meet the exit criteria;
- the client is in insolvency proceedings.

Since 2024, the Group has used a new definition of default for the retail segment that is determined at the level of the individual exposure. In the corporate segment, default is still defined at client level, which means that a single default event places all the client's operations into default status.



In line with the definition of default in the Capital Requirements Regulation, the sum of all outstanding past-due liabilities of an individual obligor (for corporate clients) or the individual exposure (for retail clients) are classed as a material past-due obligation by the Group by no later than the time that it exceeds 1% of the exposure to the obligor in question and is greater than €100 or €500 depending on the calculated exposure class. The Group applies the definition of default implemented in November 2020 for all companies in the Group, which is in line with EBA/RTS guidelines under Article 178 of Regulation (EU) No 575/2013 (Capital Requirements Regulation or CRR).

The portfolios of clients that have default status and are classified into a default credit rating are managed by the workout department, and, where necessary, the legal department.

The Group has precisely defined criteria for clients and for exposures in default. When these criteria are met, the Group assesses whether the risk presented by the client has reduced or their status of defaulter can be removed. When a client or an individual exposure returns to a performing credit rating, the exposures are reclassified to IFRS 9 Stage 2 during the observation period.

When the reasons that had led to a significant increase in credit risk of a particular financial asset no longer exist and the Group reasonably expects that no significant increase in the borrower's credit risk is to be expected for it in the short-term, such a financial asset is classified to Stage 1 and subject to calculation of the expected losses for a period of 12 months.

Restoration to non-performing status after the completion of forbearance occurs when during the two-year probationary period the obligor is 30 days in arrears in respect of any exposure, or if forbearance is repeated.

### 2.3.1.2 Interest rates and loan origination costs

The Bank employs a system for setting interest rates based on an internal process and methodology in accordance with its adopted strategy and plan for the financial year. To that end, its policy is continuously adapted to current conditions in the internal and external environments based on the monitoring and analyses of the current situation. Proposals for setting and amending interest rates are put forth on the basis of a review and analysis of the current situation in the Bank and its environment, and an assessment of various factors that impact the level of proposed interest rates at the moment interest rates change.

Factors taken into account in the setting of interest rates on corporate loans include the base interest rate in the currency in which the loan is denominated, minimum margin requirements, set by the owner, the purpose of the loan, credit rating, the credit history of the borrower, loan maturity, type of collateral, profitability, cooperation with the Bank and the competition aspect. The interest rates for micro and small enterprises are prepared based on the profitability of a specific product according to an internal methodology and confirmed by ALCO. Costs are defined based on the valid list of fees/resolution of the decision-making body, taking into account product and lending policies, an analysis of the competition and profitability calculations.

The prices of retail loans (approval costs, interest rates, etc.) are prepared or set on the basis of an analysis of competition in the banking sector and a calculation of the profitability of a specific product, which is performed according to an internal methodology. Interest rates are set on the basis of the valid resolution of the ALCO, while approval costs are set on the basis of the valid resolution of the Bank's Management Board.

Since the transition to the new banking system on 1 September 2019, the Bank has used the effective interest rate (EIR) for transactions concluded after that date. As EIR is not available for financial instruments recognised prior to that date, the Bank uses the last valid interest rate. This interest rate precisely discounts estimated future cash outflows or inflows to the gross carrying value of a financial asset over the expected duration thereof. When estimating ECLs for POCI assets, the effective interest rate set at initial recognition is used for discounting purposes.

### 2.3.1.3 Exposure limits

The Group complies with all applicable regulatory requirements, according to which the maximum exposure to a single client or group of connected clients shall not exceed 25% of the bank's Tier 1 capital or EUR 150 million (whichever is higher), provided that the sum of the exposures to all connected clients that are not institutions, after taking into account the regulatory reduction / mitigations allowed, does not exceed 25% of the bank's Tier 1 capital. The Bank's exposures to its own subsidiaries OTP faktoring d.o.o., SKB Leasing d.o.o. and SKB Leasing Select d.o.o., as well as to OTP Leasing Hrvatska d.d. and Mendota Invest d.o.o., which are owned by OTP bank Nyrt, are exempt from these limits. All exemptions are in compliance with the relevant regulation.

The Group's exposure to a client or a group of connected clients is limited with regard to the following:

- the credit rating of the individual client, having regard for the financial solidity of the group of connected clients



- the collateral obtained
- separately by product, where relevant
- the business segment (whether the exposure is to retail customers, to corporates or to financial institutions)

The Group regularly monitors the utilisation of the established limits, and reports regularly thereon to the appropriate management bodies.

#### **2.3.1.4 Credit portfolio limits**

The Group monitors credit risk exposure under the comprehensive credit portfolio limit system complemented with an early warning system including relevant indicators.

#### **2.3.1.5 Collateral policy**

The Bank accepts the collateral as set out in the CRR/CRD. The Bank also accepts other acceptable forms of collateral.

The type of required collateral depends on the Bank's strategy and lending policies, specifically the policy governing lending to corporate and financial market customers and the policy governing consumer loans and loans to micro and small enterprises. Collateral is defined depending on:

- the purpose and maturity of an investment, and
- an obligor's creditworthiness.

The Bank improves the quality of the collateral portfolio and thus mitigates credit risk through established minimum requirements for the collateralisation of investments (maximum loan-to-value – LTV). The Bank has defined the permitted level of unsecured investments taking into account the maturity of an investment and an obligor's creditworthiness.

### **2.3.2 QUALITATIVE DISCLOSURE RELATED TO COUNTERPARTY CREDIT RISK**

This section covers the disclosures required under Article 435(1)(a) of the CRR and set out in Table EU CCRA (Qualitative disclosure related to CCR) of the Guidelines.

Counterparty credit risk management is explained in more detail in Section 6.

### **2.3.3 QUALITATIVE DISCLOSURE REQUIREMENTS RELATED TO MARKET RISK**

This section covers the disclosures that are required under Article 435(1)(a)(b)(d) of the CRR and set out in Article 15 of Commission Implementing Regulation (EU) 2021/637 and Table EU MRA (Qualitative disclosure requirements related to market risk).

Market risk management is explained in more detail in section 12.

### **2.3.4 QUALITATIVE AND QUANTITATIVE DISCLOSURE REQUIREMENTS RELATED TO LIQUIDITY RISK**

This section covers the disclosures that are required under Article 435(1) of the CRR and that are set out in Article 7 of Commission Implementing Regulation (EU) 2021/637 and in Table EQ LIQA (template on qualitative and quantitative information of liquidity risk) of the Guidelines on LCR disclosure to complement the disclosure of liquidity risk management under Article 435 of Regulation (EU) No 575/2013.

This section includes the disclosures required under Articles 435(1) and 442 of the CRR and defined in Article 8 of Commission Implementing Regulation (EU) 2021/637.

Liquidity risk management is explained in more detail in section 17a.



## 2.4 INFORMATION REGARDING GOVERNANCE ARRANGEMENTS

This section includes the disclosures required under Article 435(2) of the CRR, the content of which is set out in Table EU OVB.

### 2.4.1 NUMBER OF DIRECTORSHIPS HELD BY MEMBERS OF THE MANAGEMENT BODY

(Article 435 (2a) of the CRR)

#### Management Board

The Bank's Management Board had six members as at 31 December 2025: András Hámori (President), Spyridon Ntallas (member), Sabina Župec Kranjc (member), Miha Kristl (member), Vojko Božiček (member) and Anita Stojčevska (member).

**Table 2:** Membership of Management Board members on the bodies of other entities

Membership on the bodies of other entities as at 31 December 2025				
Management Board	Name of other entity	Activity	Management Board	Supervisory Board
András Hámori	Bank Association of Slovenia	Banking		X
Anita Stojčevska	Bank Association of Slovenia	Banking		X
Anita Stojčevska	OTP faktoring d.o.o.	Factoring		X
Anita Stojčevska	Pokojninska družba A, d.d.	Insurance		X
Vojko Božiček	Bankart d.o.o.	Banking-related IT infrastructure		X

**András Hámori** was appointed President of the Management Board for a term of office starting on 1 June 2025 and ending on 31 May 2030.

On 10 April 2024 the Supervisory Board appointed **Anita Stojčevska** as a new member of the Management Board. On 29 July 2024 she received ECB approval to perform the function of a member of the Management Board. The new member's term of office began on the date of the legal merger of Nova KBM d.d. and SKB banka d.d., i.e. on 22 August 2024. Before the merger, she served as a member of the Board of Directors and Chief Executive Officer of SKB banka d.d. After becoming a member of the Management Board, she was appointed its Vice-President. Her term of office as Vice-President of the Management Board of OTP banka ended on 31 December 2024. On 1 January 2025, she was reappointed as member of the Management Board for a term of office to end on 31 December 2029. However, she submitted her resignation on 27 November 2025, to take effect on 15 January 2026.

The Supervisory Board appointed **Sabina Župec Kranjc** as member of the Management Board for a five-year term on 1 October 2014. On 11 November 2014, she received her authorisation from the Bank of Slovenia to perform the function of member of the Management Board. The term of office of the new member of the Management Board began as at the day of her taking office, i.e. 17 November 2014. Sabina Župec Kranjc was reappointed as member of the Management Board for a term that ran from 17 November 2019 to 16 November 2022. On 22 November 2021, the Supervisory Board reappointed her as member of Nova KBM's Management Board for a term that ran from 17 November 2022 to 31 December 2023. In December 2023, the Supervisory Board reappointed Sabina Župec Kranjc to serve as member of Nova KBM's Management Board for a term beginning on 1 January 2024 and ending on 31 December 2024. On 1 January 2025, she was reappointed as member of the Management Board for a term of office ending on 31 December 2029.

**Miha Kristl** was appointed member of the Management Board for a term of office from 1 January 2022 to 31 December 2023. In December 2023 the Supervisory Board reappointed Miha Kristl as a member of Nova KBM's Management Board, for a term of office that ran from 1 January 2024 to 31 December 2024. On 1 January 2025, he was reappointed as member of the Management Board for a term of office ending on 31 December 2029.

In December 2023 the Supervisory Board appointed **Gvido Jemenšek** to serve as a new member of the Bank's Management Board. Gvido Jemenšek received ECB approval to perform the function of a member of the Bank's Management Board on 3 April 2024. The term of office of the new member of the Management Board began on 1 May 2024. His term of office ended on 31 December 2024. On



1 January 2025, he had been reappointed as member of the Management Board for a term of office ending on 31 December 2029. However, that term was terminated early (on 31 August 2025) as a result of his resignation.

On 10 April 2024, the Supervisory Board appointed **Spyridon Ntallas** to serve as a new member of the Management Board. On 22 July 2024 he received ECB approval to perform the function of a member of the Management Board. The new member's term of office began on the date of the legal merger of Nova KBM d.d. and SKB banka d.d., i.e. on 22 August 2024, and ended on 31 December 2024. Before the merger, he served as a member of the Board of Directors and Chief Executive Officer of SKB banka d.d. On 1 January 2025, he was appointed President of the Management Board until 31 May 2025. On 1 June 2025, he was reappointed as a member of a Management Board for a term of office to end on 31 December 2029.

In October 2024 the Supervisory Board appointed **Vojko Božiček** to serve as a new member of the Management Board. The new member took up his post on the day he obtained ECB approval to perform the function of a member of the Bank's Management Board, i.e. 14 January 2025. His term of office will last for 5 years from when he takes up office.

## Supervisory Board

As at 31 December 2025, the Supervisory Board consisted of the following members:

Imre Bertalan (chair), Andrej Fatur (deputy chair) and members Tünde Barabás, Sándor István Pataki, Marko Košak, Tamás Bernáth, Draga Cukjati and Anna Mitkova Florova.

**Table 3: Membership of Supervisory Board members on the bodies of other entities**

Membership on the bodies of other entities as at 31 December 2025				
Supervisory Board	Name of other entity	Activity	Management Board	Supervisory Board
Andrej Fatur, Deputy Chair	Odvetniška družba Fatur Menard, o.p., d.o.o.	Law	X	
Anna Mitkova Florova	OTP Mortgage bank Ltd.	Banking		X
	OTP Building Society Ltd.	Construction and finance		X
	OTP Financial Point Ltd.	Finance		X
Tamas Bernáth	OTP Ingatlanpont Real Estate Agent Llc.	Real estate agency		X
	DSK BANKA AD Bulgaria	Banking		X
	B+N Zrt., Hungary	Building management		X

### 2.4.2 RECRUITMENT POLICY FOR THE SELECTION OF MEMBERS OF THE MANAGEMENT BODY AND THEIR ACTUAL KNOWLEDGE, SKILLS AND EXPERIENCE

*(Article 435 (2b) of the CRR)*

The Bank implements a Policy on the Selection of Suitable Candidates for the Management Body in accordance with the provisions of Article 35(2) of the Banking Act (ZBan-3). In addition to being valid and implemented across OTP Group Slovenia companies, that policy envisages the establishment and implementation of an appropriate selection policy for suitable candidates that ensures:

- that the management body, as a whole, takes into account the wide range of knowledge, skills and experience of its members, which facilitates an in-depth understanding of the Bank's business activities and the risks to which it is exposed;
- initiatives to achieve diversity within the management body, including the appropriate representation of both genders and policies to achieve these objectives by increasing the number of members of an under-represented gender on the management body; and
- the definition of conditions for the performance of a specific function, including the required profile of members of the management body before they are appointed.



The members of the management body play a key role in the pursuit of the Bank's interests, and must therefore be, individually and as a whole, appropriately qualified, experienced and of a suitable number to ensure the reliable performance of the tasks entrusted to them, while their personal interests must be in line with the long-term interests of the Bank. Based on their responsibility to manage and supervise the Bank, the members of the management body are expected to possess specific professional and personal competences. The required knowledge, skills and experience of each member, individually and in connection with other members as a complementary whole, ensure a level of understanding of the Bank's transactions, the risks to which it is exposed and the structure of governance required for the adoption of professional, sound and competent decisions for managing and supervising the Bank.

Moreover, the Bank consistently implements the Policy on the Assessment of the Suitability of Members of Management Bodies and Key Function Holders at OTP banka ("Fit & Proper Policy"). That policy sets out in detail the key criteria for the fulfilment of individual and collective fitness that must be met by members of the management body, as well as the body that verifies the fulfilment of those criteria.

The criterion of experience is thus defined for members of the management body (the education, work experience and knowledge of individual members or candidates in key areas are assessed in this regard), as well as the criterion of personal reliability and reputation, and the criterion of management.

In accordance with EBA Guidelines on internal governance, and the supervisory guidelines and recommendations of regulatory authorities (the Bank of Slovenia and ECB), the "Criterion of experience" section also defines other related matters that could have a decisive effect on the Bank's future operations. This concerns, in particular, the fulfilment of the condition regarding knowledge and experience in the areas of sustainable financing and associated ESG risks, IT risks, cyber risks, sustainable business models and digitalisation. Candidates for and members of the governance body must fulfil those criteria individually and at the level of the entire body.

In accordance with the revised EBA Guidelines on the assessment of the suitability of members of the management body and key function holders, the policy now includes knowledge of the prevention of money laundering and terrorist financing as a condition for the fulfilment of conditions covering knowledge, skills and experience.

In accordance with the new EBA guidelines on the assessment of suitability, the policy was supplemented with a provision that requires the Bank to take into account additional requirements and/or introduce additional measures to ensure diversity in terms of gender, and to respect the principle of equal opportunities with the aim of enhancing the positive impact on the decision-making process at individual levels of management.

The Bank also has an internal Diversity, Equity, Inclusion and Commitment Policy (Diversity Policy).

Objectives relating to the representation of the under-represented gender were defined in accordance with the Diversity Policy and the Employee Development Strategy, with the aim of promoting diversity in the Bank's two-tier system of governance. The Bank strives to ensure that governing bodies are diverse in terms of age, gender, geographic origin, education and profession, that they represent various views and experiences, and that they facilitate independent opinions and critical thinking.

## Presentation of the Bank's Management Board and Supervisory Board

### MANAGEMENT BOARD

Notwithstanding the above, the Bank's Supervisory Board takes into account the provisions of the Companies Act (ZGD-1), the Banking Act (ZBan-3), Bank of Slovenia implementing regulations, EU regulations, the Bank's Articles of Association and the Policy on the Selection of Suitable Candidates for the OTP banka Management Board when Management Board members are being appointed.

**András Hámori**, President of the OTP banka Management Board since 1 June 2025, is a results-oriented manager with a particular interest in business development and with a wealth of experience in digital transformation and banking across a large number of international markets. After more than 25 years' work in banking, he has gained a solid reputation as a manager who gets results, fosters innovation and encourages a culture of success, at the same time applying a strategic vision to direct management. Before joining OTP banka, András was head of retail banking at ING Bank Australia, and before that a management board member and executive director at ING in Austria, Sberbank Europe, ZUNO Bank, Raiffeisen Bank International and GE Money. He has a master's degree in economics from the Budapest University of Economics and Business (1999) and considerable professional expertise in the field of growth in developed and developing markets. He is also a member of the supervisory board of the Bank Association of Slovenia.



**Sabina Župec Kranjc**, who holds a master's degree in economics and business, has been a member of the OTP banka Management Board since 23 August 2024. She is responsible for corporate banking and financial markets, and has more than 27 years' banking experience. In 2013, she joined Nova KBM as executive director responsible for financial markets. In 2014 she became a member of the Nova KBM management board with responsibility for a variety of areas. In 2017, as a management board member, she assumed responsibility for finance and financial markets, and became vice-president of the Nova KBM management board in 2022, a role she performed until 22 August 2024. She was a member of the Bank Association of Slovenia's supervisory board from 2015 to November 2025, and began serving as an alternate member on 23 January 2026. Sabina has been chair of the supervisory board of OTP faktoring d.o.o. since 15 January 2026. She has previously performed other supervisory functions as a member of the Summit Leasing Slovenija supervisory board, chair of the Poštna banka supervisory board, and chair of the Audit Committee and member of the supervisory board of Abanka. Prior to that she was director of treasury operations and deputy executive director for financial markets at Abanka, and head of treasury operations at Raiffeisen Banka.

**Miha Kristl** holds a master's degree from the School of Economics and Business, University of Ljubljana. He has more than 20 years' work experience in the field of banking, with an emphasis on risk management. He has held several leading positions in the course of his business career, including director of the risk management department at Raiffeisen Banka, director of the risk management department at K&H Group, Hungary, and director of the integrated risks and equity department at the headquarters of the KBC Group, Belgium. He was also executive director at the Bank of Slovenia responsible for banking supervision. After his term of office ended, he joined Nova KBM, where he started out as director of the credit management sector. Since 1 January 2022 he has served as a member of the Bank's management board with responsibility for risk management. He was a member of the Supervisory Board of Summit Leasing Slovenija d.o.o. from 1 January 2022 to 6 February 2023.

**Spyridon Ntallas** became a member of the OTP banka management board, with responsibility for finance and planning, on 22 August 2024. For the first nine years of his career, he was an external auditor at Deloitte Greece and EY Serbia. In April 2007 he joined Vojvodanska banka in Novi Sad, where he served as chief financial officer until June 2020. From July 2020 he served as chief financial officer at SKB banka. From 1 December 2023 to 21 August 2024, he was deputy CEO, chief financial officer and member of the Board of Directors of SKB banka. In the transition period from 1 January to 31 May 2025, he was also interim President of the OTP banka Management Board. Spyridon graduated in banking and finance from the University of Piraeus before undertaking postgraduate studies in accountancy and auditing at the Association of Certified Public Accountants in Athens.

**Anita Stojčevska**, who has a master's degree in economics and business, has been a member of the OTP banka management board with responsibility for corporate banking since 23 August 2024. Since the start of her long career, she has held a number of leading positions at SKB banka, mainly in the commercial sphere. As a member of senior management, she helped formulate the strategy of SKB banka under the ownership of Soci t  G n rale from 2011. As CEO and member of the Board of Directors, she was in overall charge of SKB banka between December 2019 and 22 August 2024. She is an active participant at professional meetings and conferences, where her knowledge and experience of business is highly prized. In 2021 she received an Artemida Award, which is given by the Managers' Association of Slovenia to leading women in management, and has also received a Beta Gamma Sigma International award for her professional achievements from the Ljubljana School of Economics and Business. She has been a member of the supervisory board of Pokojninska dru ba A since June 2023, a member of the Ethical Conduct Committee since June 2024, and a member of the Strategic Issues Committee and deputy member of the supervisory board of the Bank Association of Slovenia since November 2024. Anita has also been a member of the supervisory board of OTP faktoring d.o.o. since September 2024, and a member of the CER Partnership for a Sustainable Economy since March 2025 (her term of office expires at the end of January 2026). Her term on the Management Board ended on 15 January 2026.

**Gvido Jemen ek**, who has a master's degree in economics and business, was a member of the Bank's Management Board with responsibility for retail banking from 1 May 2024 to 31 August 2025, when he resigned from the position. He has many years' experience in the banking field, mainly at Raiffeisen banka, where he served in a number of leading positions, including as a member and subsequently president of the management board. From 2017 and until he became procurator at Nova KBM, he was retail banking adviser to the Nova KBM management board.

**Vojko Bo i ek** has been a member of the OTP banka Management Board with responsibility for digital operations and the Bank's operational business since 14 January 2025. Before that he led OTP banka's Digital Solutions Development Sector. Vojko has more than 25 years' experience in the field of IT in banking, and is an excellent strategist for the design and delivery of IT strategies and digital transformation. He began his career at HERMES SoftLab d.o.o., where he gained valuable experience in the areas of software development and quality assurance. Over the years, he has taken on increasingly more responsible roles, including head of the data warehouses department and director of IT, which has provided him with a comprehensive insight into the technical and strategic aspects of IT. From July 2020 to 22 August 2024, he was director of Nova KBM's Information Technology Sector, successfully guiding it through an important period of technological development. Before that he occupied leading positions at Abanka and Banka Celje, where he played a key role in overseeing IT initiatives and managing complex projects. Vojko Bo i ek has been a member of the supervisory board of Bankart d.o.o. since February 2025.



## SUPERVISORY BOARD

The provisions of the Companies Act (ZGD-1), Banking Act (ZBan-3), Bank of Slovenia implementing regulations, EU regulations, the Bank's Articles of Association and the Policy on the Selection of Suitable Candidates for the OTP banka Management Body are taken into account when Supervisory Board members are being appointed.

The Corporate Governance Policy of OTP banka and of companies within OTP Group Slovenia delegates responsibilities and competences to the various members of the Bank's management and supervisory bodies.

In connection with the strategy and criteria for selecting members of the Management Board, the Supervisory Board and key function holders, the Bank has a Policy on the Assessment of Suitability of Members of Management Bodies and Key Function Holders ("Fit & Proper Policy"), which provided the basis for the formation of a special Fit & Proper Committee.

With due regard to the Policy on the Selection of Suitable Candidates for the OTP banka Management Body and the "Fit & Proper Policy", the Supervisory Board's Nomination Committee identifies and recommends to the Supervisory Board candidates for membership of the Management Board, and identifies and recommends to the General Meeting of Shareholders candidates for membership of the Supervisory Board.

**Imre Bertalan** received his bachelor's degree from Karl Marx University of Economic Sciences in Budapest, Hungary. He has more than 33 years' work experience in the field of economics. He serves as general director of the HR and organisational directorate at OTP Bank Group Nyrt, and was also president of the SKB banka d.d. Board of Directors from September 2020 to 2023. On 6 February 2023 he began a five-year term as member and chair of the Nova KBM d.d. supervisory board. In 2025, Imre was appointed to serve as a member of the Higher Education Council at the Hungarian Economic Association and of the International Corporate and Institutional Council of Corvinus University of Budapest.

**Dr Andrej Fatur** obtained his doctorate of law from the School of Law at King's College London, and has many years' experience in domestic and international environments. After completing his judicial clerkship, he began his career as a lawyer, returned to that profession after a few years abroad, and now works at his own law firm as a commercial lawyer. In the interim period, he served as a legal consultant for several months at the Bank of Slovenia in the areas of banking supervision and banking regulation. He is the author of numerous professional articles in the field of commercial law, in particular competition law. He has lectured on this subject at several conferences at home and abroad. He has been a member of the Bank's Supervisory Board since 2012.

**Dr Tünde Barabás** graduated from the University of Economic Sciences in Budapest, Hungary. She has a master's degree in business administration and a doctorate in management and organisational sciences. She has 25 years of experience in banking, focusing on the areas of risk, governance, auditing, controlling and collateral. Since 2020 she has worked as head of risk management at OTP Bank Nyrt in Budapest. She has previously served as a supervisory board and audit committee member at several European banks.

**Sándor István Pataki** graduated from the Moscow State Institute of Internal Relations (Faculty of Diplomacy) in Russia. He also received a degree from the Budapest Institute of Banking in Hungary. He has more than 33 years of work experience in the field of economics, including banking. He joined OTP in 2005 as Head of Investor Relations, and has also been in charge of Debt Capital Markets since 2008.

**Dr Marko Košak** is a Full Professor of Money and Finance at the University of Ljubljana, School of Economics and Business, where he teaches several courses in banking, financial institutions and markets. His academic research focuses on banking, microprudential and macroprudential regulation and financial markets. He takes part in international professional conferences, and publishes in prominent international and domestic peer-reviewed journals and books. He has more than 28 years of work experience in academia and as a finance professional working with national and international institutions (European Banking Authority, European Banking Federation, Bank Association of Slovenia), and has also served as a member of a number of supervisory boards.

**Tamás Bernáth** graduated from the University of Economics in Budapest. He completed postgraduate studies in law at ELTE in Budapest and received his MBA from INSEAD. He has more than 27 years of work experience in the area of finance. He is employed as a faculty member at Mathias Corvinus Collegium (MCC), which is based in Budapest.

**Draga Cukjati** holds a degree in accounting and finance from the Faculty of Economics, University of Zagreb. She has 29 years of experience in banking, 20 of them in management positions. She served as a member of the management board of Mercator d.d., with responsibility for finance, from 2017 to 2022, and has been CFO of REWE International/Penny Romania since September 2023. She is also a member of the OTP banka Supervisory Board and chair of the audit committee at BTC d.d.



**Anna Mitkova Florova** received a degree in economics from the Plekhanov Russian University of Economics and later completed postgraduate studies in banking management at Corvinus University in Budapest. She has occupied top management positions in banking for 30 years. Since 2017 she has been director of the consumer and mortgage loans and banking collateral department at OTP Bank Nyrt. She also performs several supervisory functions. From 2018 to 22 August 2024 she served as a non-executive member of the Board of Directors of SKB banka d.d. Ljubljana. She was appointed President of the Board of Directors in 2023. At SKB banka d.d. Ljubljana she was also a member of the Supervisory Board's Risk Committee, Audit Committee and Nomination Committee. She is currently also a non-executive member of the board of directors of OTP Mortgage Bank Ltd and OTP Building Society Ltd. She holds supervisory roles at OTP Financial Point Ltd (president of the board of directors) and OTP Ingatlanpont Real Estate Agent LLC (chair of the supervisory board).

### **2.4.3 THE POLICY ON DIVERSITY WITH REGARD TO SELECTION OF MEMBERS OF THE MANAGEMENT BODY, ITS OBJECTIVES AND ANY RELEVANT TARGETS SET OUT IN THAT POLICY, AND THE EXTENT TO WHICH THESE OBJECTIVES AND TARGETS HAVE BEEN ACHIEVED**

*(Article 435 (2c) of the CRR)*

The Bank did not have a separate diversity policy for the selection of members of its management bodies until December 2022. In December 2022, the Bank adopted the Diversity, Equity, Inclusion and Commitment Policy, which entered into force on 1 January 2023. The policy was revised in 2025. The changes, which took effect on 1 April 2025, relate to the broadening of its application and implementation at OTP Group Slovenia and the updating of a key performance indicator.

Diversity in terms of gender represents a key component of all levels of the organisation. The Employee Development Strategy defines, inter alia, objectives relating to the representation of the under-represented gender, which promotes diversity in the Bank's two-tier system of governance. The Bank strives to ensure that governing bodies are diverse in terms of age, gender, geographic origin, education and profession, that they represent various views and experiences, and that they facilitate independent opinions and critical thinking.

In order to ensure a diverse and inclusive environment, OTP banka implements a number of programmes and practices to promote diversity, equity, inclusion and commitment. The Bank implements the above-mentioned policy not only in gender balance, but also in the following areas: the recruitment and selection of employees, the remuneration policy, career development and performance management, key personnel and succession planning, training, employee engagement and satisfaction surveys, internal communication, non-discrimination, a sense of security and belonging, etc.

In accordance with its competences as set out in the ZBan-3, the Supervisory Board's Nomination and Governance Committee is striving to improve the representation of both genders on the management body over the next five years. The committee primarily pursues the goal of increasing the number of women on the Management Board and Supervisory Board.

Diversity is ensured in practice through procedures used to nominate and appoint members of the management and supervisory bodies. According to available data, diversity criteria (gender, professional experience, age, education and expertise) were met.

In 2025, women comprised 37.5% of the Supervisory Board (three of eight members).

As at 31 December 2025, the Bank's Management Board comprised six members: two women and four men, which means that a third of members are women.

### **2.4.4 THE INSTITUTION OPERATES A SEPARATE RISK COMMITTEE**

*(Article 435 (2d) of the CRR)*

OTP banka has established a Risk Committee, which is a consultative body of the Bank's Supervisory Board. Its chief mission is to supervise the Bank's senior management with regard to the implementation of the risk management strategy at the Bank and at the Group. It also provides advice with regard to the Bank's current and future risk appetite. The committee met at four regular sessions and one correspondence session in 2025.



## 2.4.5 DESCRIPTION OF THE INFORMATION FLOW ON RISK TO THE MANAGEMENT BODY

*(Article 435 (2e) of the CRR)*

The risk management and finance divisions draw up reports on the management of and exposure to various types of risk, including ESG risks, on the utilisation of the established limit system and the risk appetite, on the values of key risk and performance indicators, on exposure by certain segments/portfolios/products, and on the Bank's performance, and submit them to the **Bank's Management Board**, the **Risk Committee** and the **Supervisory Board**.

Monthly reports on risks are also made to the **ALCO**.

Reporting is undertaken on a daily, monthly, quarterly and annual level. The risk management division reports data separately for OTP Group Slovenia and OTP Group Luxembourg.

The Bank sets out the frequency of reporting and the person responsible for reporting in its individual risk management policies.

The risk management division publishes the most important indicators of liquidity risk, interest rate risk and market risk on the intranet on a daily basis. It also draws up the risk management report on a monthly basis, and submits it to the Management Board, the executive directors, and the directors of the relevant departments.

The Bank has established various committees for managing specific types of risk. Their competences and responsibilities are defined in separate rules of procedure.

The Operational Risk Committee is an advisory body of the Bank's Management Board. The committee is tasked with studying and discussing, and making decisions regarding issues relating to operational risk management. The committee meets quarterly or more often, as required. The following bodies operate under the Operational Risk Committee: the Committee for Treatment of High-Risk Clients, the Legal Risk Committee, the Bank Cash Control Committee and the Model Risk Committee. These committees brief the Operational Risk Committee on activities and events in their respective fields of operation.

The Model Risk Committee was established in 2019. It is responsible for drawing up and implementing the model risk management framework, and has the central coordinating role in ensuring that the actions of stakeholders in model risk management comply with accepted standards.

The Operational Resilience Department reports to the Management Board regarding the management of incidents and threats to business continuity and information security. Reports are provided following the occurrence of major incidents or crises, and as the associated consequences are being eliminated and measures introduced to mitigate the consequences and risks arising from such incidents. The department also reports on a quarterly basis to the Operational Risk Committee, but also provides immediate reports in response to the emergence of new risks.

The Bank abolished the Information Technology Committee, which had been responsible for ensuring that IT worked in concert with the Bank's business plan, in 2025. It then set up a Development Committee, which is responsible, inter alia, for strategic planning, the adoption of key decisions in all areas relating to project management and IT, including IT direction at the Bank, and has been assigned certain decision-making powers and authorisations for those purposes.

In 2024, the Bank established the Corporate Client Monitoring Committee, which monitors and discusses the portfolio of performing investments/clients for which increased credit risk has been identified and exposure to a specific client exceeds a given exposure limit. The primary tasks and powers of that committee are as follows: decisions regarding and the approval of the client risk status (CRS), the reclassification of clients from PE to NPE based on UTP criteria, decisions regarding the appropriateness of the CRS for clients automatically reclassified to Stage 2 due to a change in their credit rating (notwithstanding the exposure amount), and decisions regarding, and the approval and monitoring of strategies/action plans for specific clients. The committee also discusses clients/groups of connected clients who are financed by at least two members of the OTP Group (Groups of Connected Clients on Bank Group Level – GCCB), who have a different CRS or different non-default/default status, with the aim of harmonising those statuses between the relevant members of the OTP Group, if necessary and justified. The committee also discusses monthly reports (e.g. the EWS Report and Portfolio Report).

The Retail Client Credit Risk Committee was set up in 2024. The committee compiles and presents locally drafted reports on the quality and monitoring of the portfolio, and also monitors the latter (exposure trends, quality of the portfolio, comparison with the



banking sector, the monitoring of products, approved limits under the credit policy, RAS, etc.). The committee provides resources and monitors the development of the quality of data for internal data sources required for the management of credit risk in connection with retail banking. It regularly monitors the utilisation of RAS limits, proposes measures in the event of transgressions, requests various ad hoc analyses of the portfolio, and has an overview of the coordination and amendment of the rules and policies prescribed by the Group.

The Bank has a separate and independent Anti-Money Laundering Office that coordinates activities in the areas of AML/CFT and restrictive measures. The aforementioned office reports directly to the Bank's Management Board, while the AML/CFT officer coordinates activities in the areas of AML/CFT and restrictive measures. The AML/CFT officer reports quarterly and annually to the Management Board. Quarterly reports include data reported to the Office of the Republic of Slovenia for Money Laundering Prevention and other supervisory authorities, the findings of first- and second-level controls, other activities and identified risks and measures adopted to manage those risks in the areas of AML/CFT and restrictive measures. The annual report includes a summary of annual activities in the area of AML/CFT (statistical data, risk analysis, amendments to internal rules and application systems, the implementation of internal control activities, participation in training, etc.). In accordance with implementing regulations, a report is also drawn up for the Office for Money Laundering Prevention in the scope of annual reporting. The AML/CFT officer also briefs the Bank's Supervisory Board on the content of the annual report.

The AML/CFT officer heads the Committee for Treatment of High-Risk Clients, which discusses and adopts measures when transacting with clients where the Bank identifies certain conduct that poses a compliance risk or other practices that, by their nature, pose increased risk to the Bank.

The AML/CFT officer is appointed to the same position for the Group, and coordinates activities in the areas of AML/CFT and restrictive measures within the Group.

The Risk Management Department assesses the risk profile of the Bank and the Group once a year. The risk profiles of the Bank and the Group are discussed by the Management Board, the Supervisory Board and the Risk Committee.



## **3 SCOPE OF APPLICATION**

This section defines the disclosure requirements set out in Article 436 of Part Eight of the CRR.

### **3.1 NAME OF THE INSTITUTION TO WHICH THE REQUIREMENTS OF THIS REGULATION APPLY**

*(Article 436(a) of the CRR)*

As the parent bank, OTP banka is obliged to publish disclosures for the Group in accordance with Article 13 of the CRR.

### **3.2 HARMONISATION OF THE CONSOLIDATED FINANCIAL STATEMENTS, COMPILED IN ACCORDANCE WITH THE VALID FINANCIAL REPORTING FRAMEWORK, WITH THE CONSOLIDATED FINANCIAL STATEMENTS, COMPILED IN ACCORDANCE WITH THE REQUIREMENTS OF CONSOLIDATION FOR PRUDENTIAL PURPOSES BASED ON CHAPTERS 2 AND 3 OF TITLE II OF PART ONE**

*(Article 436(b, c, d and e) of the CRR)*

OTP Group Luxembourg comprises the controlling company OTP Luxembourg S.à r.l. and its subsidiaries, which are part of OTP Group Slovenia. OTP banka d.d. is the controlling company of OTP Group Slovenia. It controlled three subsidiaries as at 31 December 2025 (SKB Leasing d.o.o., SKB Leasing Select d.o.o. and OTP faktoring d.o.o.) and had one associated company (Bankart d.o.o.).

OTP banka is a commercial bank with many years of experience. It focuses on the provision of standard banking services to retail and corporate customers. Its head office is located at Slovenska ulica 58, 1000 Ljubljana, Slovenia.

The Bank's share capital amounted to €150,000,000 as at 31 December 2025, and was divided into 10,000,000 no-par-value ordinary registered shares.

The OTP Group is a leading financial group that operates on the mass markets of Central and Eastern Europe, including Slovenia. The Group provides services in the areas of insurance, real estate, factoring, leasing, asset management, and the management of investment and pension funds.

The parent bank is obliged to prepare consolidated financial statements at the level of OTP Group Slovenia and OTP Group Luxembourg.

The financial statements of OTP Group Slovenia are included in the consolidated financial statements of OTP Luxembourg S.à r.l.



**Table 4:** Composition of OTP Group Luxembourg

Company	Relationship	Proportion of voting rights held by the Group (%)	Location of operations (or country of registration)
OTP Luxembourg. S.à r.l.	controlling company	100.00	Luxembourg
OTP banka d.d.	subsidiary bank	100.00	Ljubljana, Slovenia
SKB Leasing d.o.o.	subsidiary	100.00	Ljubljana, Slovenia
SKB Leasing Select d.o.o.	subsidiary	100.00	Ljubljana, Slovenia
OTP faktoring d.o.o.*	subsidiary	100.00	Ljubljana, Slovenia
Bankart d.o.o.	associate	43.06	Ljubljana, Slovenia

\*The subsidiary ALEJA finance d.o.o. was renamed OTP faktoring d.o.o. on 3 January 2025.



**Template 1: EU LI1 – Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories**

€000

	a	b	c	d	e	f	g
	Carrying values of items						
	Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	subject to the credit risk framework	subject to the CCR framework	subject to the securitisation framework	subject to the market risk framework	not subject to own funds requirements or subject to deduction from own funds
<b>Breakdown by asset classes according to the balance sheet in the published financial statements</b>							
1	Cash in hand, cash balances at the central bank and demand deposits at banks	1,476,364	1,476,364	1,476,364			
2	Financial assets held for trading	11,060	11,060		6,112	4,948	
3	Non-trading financial assets mandatorily at fair value through profit or loss	16,467	16,467	16,467			
4	Financial assets at fair value through other comprehensive income	514,867	514,867	514,867			
5	Financial assets at amortised cost	13,096,005	13,096,005	13,096,005			
	of which debt securities	4,953,569	4,953,569	4,953,569			
	of which loans to banks	457,162	457,162	457,162			
	of which loans to customers	7,621,378	7,621,378	7,621,378			
	of which other financial assets	63,896	63,896	63,896			
6	Derivatives – hedge accounting	24,792	24,792		24,792		
7	Investments in subsidiaries, joint ventures and associates	13,658	13,658	13,658			
8	Tangible assets	89,526	89,526	89,526			
9	Intangible assets	36,746	36,746	13,437			23,309
10	Income tax assets	90,159	90,159	9,193			76,007
	of which current tax assets	9,193	9,193	9,193			
	of which deferred tax assets	80,966	80,966				76,007
11	Other assets	16,061	16,061	16,061			
12	Non-current assets and disposal groups held for sale and discontinued operations	2,037	2,037	2,037			
<b>13</b>	<b>Total assets</b>	<b>15,387,742</b>	<b>15,387,742</b>	<b>15,247,615</b>	<b>30,904</b>	<b>4,948</b>	<b>99,316</b>



## DISCLOSURES OF OTP GROUP LUXEMBOURG

	a	b	c	d	e	f	g
	Carrying values of items						
	Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	subject to the credit risk framework	subject to the CCR framework	subject to the securitisation framework	subject to the market risk framework	not subject to own funds requirements or subject to deduction from own funds
<b>Breakdown by liability classes according to the balance sheet in the published financial statements</b>							
14	Financial liabilities held for trading	5,840	5,840		5,840		
15	Financial liabilities measured at amortised cost	13,352,987	13,352,987				
	of which deposits and loans from banks and the central bank	12,471,982	12,471,982				
	of which debt securities	795,267	795,267				
	of which other financial liabilities	85,738	85,738				
16	Derivatives – hedge accounting	843	843		843		
17	Fair value changes of the hedged items in portfolio hedge of interest rate risk	2,678	2,678				
18	Provisions	48,991	48,991				
19	Income tax liabilities						
	of which current tax liabilities						
	of which deferred tax liabilities						
20	Other liabilities	68,590	68,590				
<b>21</b>	<b>Total liabilities</b>	<b>13,479,929</b>	<b>13,479,929</b>		<b>6,683</b>		
22	Share capital	2,711	2,711				
23	Share premium	374,446	374,446				
24	Accumulated other comprehensive income	-13,287	-13,287				
25	Reserves from profit	29,377	29,377				
26	Retained earnings	1,248,867	1,248,867				
27	Net profit for the financial year	265,699	265,699				
28	Interim dividends						
<b>29</b>	<b>Total equity</b>	<b>1,907,813</b>	<b>1,907,813</b>				
<b>30</b>	<b>Total equity and liabilities</b>	<b>15,387,742</b>	<b>15,387,742</b>		<b>6,683</b>		



**Template 2: EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements**

€000

		a	b	c	d	e
		Total	Items subject to credit risk framework	securitisation framework	CCR framework	market risk framework
1	Assets carrying value amount under the scope of prudential consolidation (as per template EU LI1)	15,387,742	15,247,615		30,904	4,948
2	Liabilities carrying value amount under the scope of prudential consolidation (as per template EU LI1)	15,387,742			6,683	
3	Total net amount under the scope of prudential consolidation	15,387,742	15,247,615		37,587	4,948
4	Off-balance-sheet amounts	3,485,456	3,485,456		38,927	
5	Differences in valuations		-577			
6	Differences due to different netting rules, other than those already included in row 2					
7	Differences due to the consideration of provisions		-7,220			
8	Differences due to the use of credit risk mitigation techniques (CRMs)					
9	Differences due to credit conversion factors		-2,532,994			
10	<i>Differences due to Securitisation with risk transfer</i>					
11	<i>Other differences</i>					
12	Exposure amounts considered for regulatory purposes	<b>18,873,198</b>	<b>16,192,281</b>		<b>76,514</b>	<b>4,948</b>

**Template 3:** EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity)**OTP Group Luxembourg**

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
SKB Leasing d.o.o.	Full consolidation	x					Leasing company
SKB Leasing Select d.o.o.	Full consolidation	x					Leasing company
OTP faktoring d.o.o.	Full consolidation	x					Factoring company
Bankart d.o.o.	Equity method			x			Payment instrument processing
OTP banka d.d.	Full consolidation	x					Financial intermediation
OTP Luxembourg S.à r.l.	Full consolidation	x					Acquisition and management of investments

**Template 4:** EU PV1 – Prudent valuation adjustments

The Bank is not obliged to disclose Template EU PV1 – Prudent valuation adjustments because it does not use the core approach for determining additional value adjustments in accordance with Chapter III of Commission Delegated Regulation (EU) 2016/101 (Delegated Regulation 2016/101). The Bank meets the conditions for the use of the simplified approach set out in Article 4 of Chapter II of Delegated Regulation 2016/101 because the sum of the absolute value of fair-valued assets and liabilities does not exceed the threshold of €15 billion. The threshold of €15 billion applies on an individual and consolidated basis. If the threshold is breached, the core approach is applied to all entities included in consolidation. In accordance with Article 5 of Chapter II of Delegated Regulation 2016/101, additional valuation adjustments are calculated as 0.1% of the sum of fair-valued assets and liabilities. That amount is a deduction item from regulatory own funds in accordance with Article 34 of the CRR, and is calculated taking into account Delegated Regulation 2016/101 and Article 105 of the CRR.



**Table 5:** EU LIA – Explanations of differences between accounting and regulatory exposure amounts

Legal basis	Qualitative information
<b>Article 436(b) of the CRR</b>	It is evident from Template EU LI1 that the accounting scope and the scope of prudential consolidation are exactly the same. Template EU LI1 illustrates the main differences between the carrying values reported in the financial statements under the scope of prudential consolidation and the exposure amounts that are treated, for prudential purposes, as the basis for the calculation of risk-weighted exposures under each risk framework. Deduction items from regulatory own funds relate to deductions for intangible assets and deferred tax assets, to a deduction of the amount from additional value adjustments, to a deduction of the amount of insufficient coverage for non-performing exposures and to a deduction of the amount from additional impairments.
<b>Article 436(d) of the CRR</b>	Template EU LI2 illustrates the main differences between the carrying values reported in the financial statements under the scope of prudential consolidation and the exposure amounts that are treated, for prudential purposes, as the basis for the calculation of risk-weighted exposures under each risk framework. The main differences for the credit risk framework are the result of differences due to credit conversion factors. The main differences for the counterparty credit risk framework derive from the use of the original exposure method for the calculation of exposure values from derivatives. The "Total" column in Template EU LI2 discloses two deduction items from regulatory own funds, specifically in differences due to the consideration of provisions (deduction amount arising from additional impairments) and differences in valuations (deduction amount arising from additional value adjustments), which are also included in column "g" in Template EU LI1 and do not affect the exposure amount that is treated as the basis for the calculation of RWEA for regulatory purposes.

### 3.3 ANY CURRENT OR FORESEEN MATERIAL PRACTICAL OR LEGAL IMPEDIMENT TO THE PROMPT TRANSFER OF OWN FUNDS OR REPAYMENT OF LIABILITIES AMONG THE PARENT UNDERTAKING AND ITS SUBSIDIARIES

*(Article 436 (f) of the CRR)*

Taking into account regulatory requirements regarding the operations of an individual Group company, there are no legal impediments on the transfer of own funds and the settlement of liabilities between the parent company and subsidiaries within the Group.

### 3.4 THE AGGREGATE AMOUNT BY WHICH ACTUAL OWN FUNDS ARE LOWER THAN REQUIRED AT ALL SUBSIDIARIES NOT INCLUDED IN CONSOLIDATION, AND THE NAME OR NAMES OF SUCH SUBSIDIARIES

*(Article 436(g) of the CRR)*

OTP Group Luxembourg includes all subsidiaries in supervision on a consolidated basis.

### 3.5 CIRCUMSTANCE FOR APPLYING THE PROVISIONS LAID DOWN IN ARTICLES 7 AND 9

*(Article 436(h) of the CRR)*

Disclosures for OTP banka are not relevant.



## 4 EQUITY

This section defines the disclosure requirements set out in Article 437 of Part Eight of the CRR, and in the templates from Article 4 of Commission Implementing Regulation (EU) 2021/637.

### 4.1 FULL RECONCILIATION OF COMMON EQUITY TIER 1 ITEMS, ADDITIONAL TIER 1 ITEMS, TIER 2 ITEMS AND FILTERS AND DEDUCTIONS APPLIED PURSUANT TO ARTICLES 32 TO 35, 36, 56, 66 AND 79 TO OWN FUNDS OF THE INSTITUTION AND THE BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS OF THE INSTITUTION

*(Article 437(a) of the CRR)*

The scope of consolidation and the method used to consolidate the statement of financial position are the same as the scope and method of consolidation set out in Chapter 2, Part One, Title II of the CRR.

The EU CC2 Template below shows the difference between the on-balance-sheet and regulatory own funds of OTP Group Luxembourg and OTP Group Slovenia as at 31 December 2025. Items of regulatory own funds are disclosed in Template EU CC1.

**Template 5:** Template EU CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements of OTP Group Luxembourg and OTP Group Slovenia

€000		a	a	c
		Balance sheet from the published financial statements as at 31 December 2025 OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CC1
<b>Assets – Breakdown by asset classes according to the balance sheet in the published financial statements</b>				
1	Cash on hand, balances at the central bank and sight deposits at banks	1,476,364	1,475,899	
2	Financial assets held for trading	11,060	11,060	
3	Non-trading financial assets mandatorily at fair value through profit or loss	16,467	16,467	72
4	Financial assets at fair value through other comprehensive income	514,867	514,867	72
5	Financial assets at amortised cost	13,096,005	13,096,021	
6	- debt securities	4,953,569	4,053,569	
7	- loans and advances to banks	457,162	457,162	
8	- loans to non-banking customers	7,621,278	7,621,378	
9	- other financial assets	63,896	63,912	
10	Derivatives – hedge accounting	24,792	24,792	
11	Equity investments in subsidiaries, associates and joint ventures	13,658	13,658	72
12	Tangible assets	89,526	93,840	
13	Intangible assets	36,746	36,746	8
14	Corporate income tax assets	90,159	89,350	
15	- current tax assets	9,193	9,193	
16	- deferred tax assets	80,966	80,157	10, 75
17	Other assets	16,061	16,057	



€000		a	a	c
		Balance sheet from the published financial statements as at 31 December 2025		Reference to row in EU CC1
		OTP Group Luxembourg	OTP Group Slovenia	
18	Non-current assets and disposal groups held for sale and discontinued operations	2,037	2,037	
	<b>Total assets</b>	<b>15,387,742</b>	<b>15,390,792</b>	
<b>Liabilities – Breakdown by liability classes according to the balance sheet in the published financial statements</b>				
19	Financial liabilities held for trading	5,840	5,840	
20	Financial liabilities measured at amortised cost	13,352,987	13,352,977	
21	- deposits by banks and central banks	12,471,983	12,471,983	
22	- debt securities	795,267	795,267	48, 58
23	- other financial liabilities	85,738	85,727	
24	Derivatives – hedge accounting	843	843	
25	Changes to the fair value of hedged items (interest rate hedge)	2,678	2,678	
26	Provisions	48,991	48,991	
27	Corporate income tax liabilities	0	0	
28	- current tax liabilities	0	0	
29	- deferred tax liabilities	0	0	
30	Other liabilities	68,591	68,591	
	<b>Total liabilities minus equity</b>	<b>13,479,929</b>	<b>13,479,919</b>	
<b>Shareholders' equity</b>				
31	Share capital	2,711	150,000	1
32	Share premium	374,446	560,148	1
33	Accumulated other comprehensive income	(13,289)	(13,296)	3
34	Profit reserves	29,377	49,334	3
35	Retained earnings and value adjustments from previous years in respect of investment property	1,248,867	898,883	2
<b>36</b>	<b>Net profit/loss for the financial year</b>	<b>265,699</b>	<b>265,804</b>	<b>2, EU-25a</b>
<b>37</b>	<b>Interim dividends</b>	<b>0</b>	<b>0</b>	
<b>42</b>	<b>Total shareholders' equity</b>	<b>1,907,813</b>	<b>1,910,873</b>	
	<b>Total liabilities</b>	<b>15,387,742</b>	<b>15,390,792</b>	



## 4.2 DESCRIPTION OF THE MAIN FEATURES OF THE COMMON EQUITY TIER 1 AND ADDITIONAL TIER 1 INSTRUMENTS AND TIER 2 INSTRUMENTS ISSUED BY THE INSTITUTION

(Article 437(b) of the CRR)

Template EU CCA below shows information on the own funds instruments of OTP Group Luxembourg and OTP Group Slovenia.

Items of regulatory own funds are disclosed in Template EU CC1.

**Template 6:** EU CCA – Main features of regulatory own funds instruments and eligible liabilities instruments of OTP Group Luxembourg and OTP Group Slovenia

		Common Equity Tier 1 (CET1) capital		Tier 2 (T2) capital	
1	<b>Issuer</b>	<b>OTP Group Luxembourg S.à r.l.</b>	<b>OTP banka d.d.</b>	<b>OTP Bank Nyrt.</b>	<b>OTP Bank Nyrt.</b>
2	Unique identifier	/	Ref: KBMS, ISIN: SIO021116494	/	/
2a	Public or private placement	/	Closed circle of investors	/	/
3	Governing law(s) of the instrument	Luxembourg Law on Commercial Companies from 1915, together with amendments	ZGD, ZTFI, ZNVP, ZBAN	ZBAN-3, Bank of Slovenia regulations, ZRPPB	ZBAN-3, Bank of Slovenia regulations, ZRPPB
3a	Contractual recognition of write down and conversion powers of resolution authorities	No	No	No	No
<b>Regulatory treatment</b>					
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1 capital	Common Equity Tier 1 Capital	Tier 2 capital	Tier 2 capital
5	Post-transitional CRR rules	Common Equity Tier 1 capital	Common Equity Tier 1 Capital	Tier 2 capital	Tier 2 capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated (at OTP Group Luxembourg level)	Individual (OTP banka level) and sub-consolidated basis (at OTP Group Slovenia level)	Individual basis (at OTP banka level), sub-consolidated basis (at OTP Group Slovenia level) and consolidated basis (at OTP Group Luxembourg level) as a Tier 2 instrument in accordance with Article 63 of Regulation (EU) No 575/2013 (Capital Requirements Regulation, CRR)	Individual basis (at OTP banka level), sub-consolidated basis (at OTP Group Slovenia level) and consolidated basis (at OTP Group Luxembourg level) as a Tier 2 instrument in accordance with Article 63 of Regulation (EU) No 575/2013 (Capital Requirements Regulation, CRR)
7	Instrument type (types to be specified by each jurisdiction)	Common Equity Tier 1 capital	Common Equity Tier 1 Capital	Tier 2 capital	Tier 2 capital



		Common Equity Tier 1 (CET1) capital		Tier 2 (T2) capital	
8	Amount recognised in regulatory own funds or eligible liabilities (Currency in million, as of most recent reporting date)	€220 million	€553 million	€21.0 million at OTP banka Slovenia and OTP Group Slovenia level, €15.7 million at OTP Group Luxembourg level	€37.9 million at OTP banka Slovenia and OTP Group Slovenia level, €28.4 million at OTP Group Luxembourg level
9	Nominal amount of instrument	Paid-in capital: €3 million Share premium: €217 million	Paid-in capital: €150 million Share premium: €403 million	€30 million	€50 million
9a	Issue price	Paid-in capital: €1 per share	Paid-in capital: €15 per share	/	/
9b	Redemption price	n.a.	n.a.	n.a.	n.a.
10	Accounting classification	Shareholders' equity	Shareholders' equity	Financial liability	Financial liability
11	Original date of issuance	13 April 2016	19 December 2013	28 June 2022	
12	Perpetual or dated	Perpetual	Perpetual	Dated	Dated
13	Original maturity date	n.a.	n.a.	28 June 2029	28 September 2029
14	Issuer call subject to prior supervisory approval	n.a.	n.a.	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	n.a.	n.a.	Yes, an early call option pursuant to an authorisation from the regulator received in advance	Yes, an early call option pursuant to an authorisation from the regulator received in advance
16	Subsequent call dates, if applicable	n.a.	n.a.	See point 15 above	See point 15 above
<b>Coupons/dividends</b>					
17	Fixed or floating dividend/coupon	n.a.	n.a.	n.a.	n.a.
18	Coupon rate and any related index	n.a.	n.a.	n.a.	n.a.
19	Existence of a dividend stopper	n.a.	n.a.	n.a.	n.a.
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	n.a.	Fully discretionary right	n.a.	n.a.
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	n.a.	Fully discretionary right	n.a.	n.a.
21	Existence of step up or other incentive to redeem	n.a.	n.a.	n.a.	n.a.
22	Noncumulative of cumulative	n.a.	n.a.	n.a.	n.a.
23	Convertible or non-convertible	n.a.	n.a.	n.a.	n.a.
24	If convertible, conversion trigger(s)	n.a.	n.a.	n.a.	n.a.



		Common Equity Tier 1 (CET1) capital		Tier 2 (T2) capital	
25	If convertible, fully or partially	n.a.	n.a.	n.a.	n.a.
26	If convertible, conversion rate	n.a.	n.a.	n.a.	n.a.
27	If convertible, mandatory or optional conversion	n.a.	n.a.	n.a.	n.a.
28	If convertible, specify instrument type convertible into	n.a.	n.a.	n.a.	n.a.
29	If convertible, specify issuer of instrument it converts into	n.a.	n.a.	n.a.	n.a.
30	Write-down features	n.a.	n.a.	n.a.	n.a.
31	If write-down, write-down trigger(s)	n.a.	n.a.	n.a.	n.a.
32	If write-down, full or partial	n.a.	n.a.	n.a.	n.a.
33	If write-down, permanent or temporary	n.a.	n.a.	n.a.	n.a.
34	If temporary write-down, description of write-up mechanism	n.a.	n.a.	n.a.	n.a.
34a	Type of subordination (only for eligible liabilities)	n.a.	n.a.	n.a.	n.a.
EU-34b	Ranking of the instrument in normal insolvency proceedings	n.a.	n.a.	n.a.	n.a.
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	n.a.	ordinary liabilities	n.a.	n.a.
36	Non-compliant transitioned features	n.a.	n.a.	n.a.	n.a.
37	If yes, specify non-compliant features	n.a.	n.a.	n.a.	n.a.
37a	Link to the full terms and conditions of the instrument (signposting)	/	KDD – Centralna Klirinško Depotna Družba d.o.o. – Notification	n.a.	n.a.

n.a. – not applicable for this instrument



## 4.3 FULL TERMS AND CONDITIONS OF ALL COMMON EQUITY TIER 1, ADDITIONAL TIER 1 AND TIER 2 INSTRUMENTS

*(Article 437(c) of the CRR)*

Regulatory own funds are broken down into two categories with respect to their characteristics:

- Tier 1 capital, which includes:
  - Common Equity Tier 1 capital;
  - Additional Tier 1 capital; and
- Tier 2 capital.

Common Equity Tier 1 capital comprises:

- own funds instruments (paid-up and share premium);
- retained earnings;
- accumulated other comprehensive income;
- other reserves;
- value adjustments on account of prudent valuation requirements;
- own fund deduction items:
  - for intangible assets,
  - for deferred tax assets, and
  - for insufficient coverage of non-performing exposures; and
- other adjustments to/deductions from Common Equity Tier 1 capital.

The groups do not hold Additional Tier 1 instruments.

The Bank includes issued subordinated liabilities in full in the Tier 2 capital at OTP banka Slovenia and OTP Group Slovenia, while the provisions of Articles 86 and 87 of the CRR are applied for inclusion at OTP Group Luxembourg level. Based on the relevant legislation, the Bank obtained the requisite authorisation of the supervisory authority to include issued Tier 2 own funds instruments in the calculation of regulatory own funds.

As at 31 December 2025, all own funds instruments of OTP Group Slovenia were, from the point of view of their carrying value, eligible for inclusion in Common Equity Tier 1 (CET1) capital and Tier 2 capital. Of the own funds instruments of OTP Group Luxembourg, €0.7 million was not eligible for inclusion in CET1 capital (Article 28 of the CRR) and €36.6 million was not eligible for inclusion in Tier 2 capital (Articles 86 and 87 of the CRR). Pursuant to the provisions of Article 64 of the CRR, the Bank had, as at 31 December 2025, amortised the carrying value of the Tier 2 capital at all three reporting levels in the amount of €21.8 million.

Based on an authorisation from the ECB, the Bank included a portion of net profit for the 2025 financial year in the calculation of Common Equity Tier 1 capital on 31 December 2025 as follows: €65.8 million at OTP banka level, €73.5 million at OTP Group Slovenia level and €73.7 million at OTP Group Luxembourg level. The Bank includes net profit in the calculation of Common Equity Tier 1 capital solely based on a general meeting resolution or authorisation from the ECB as supervisory authority.

## 4.4 SEPARATE DISCLOSURES OF THE NATURE AND AMOUNTS

*(Article 437(d) of the CRR)*

In Template EU CC1, OTP Group Luxembourg and OTP Group Slovenia disclose the amounts and items of regulatory own funds and capital ratios as at 31 December 2025 in accordance with the provisions of the CRR and other regulations.

The groups disclose:



- (i) prudential filters applied in accordance with Articles 32 to 35;
- (ii) deductions in accordance with Articles 36, 56 and 66; and
- (iii) items not deducted in accordance with Articles 47, 48, 56, 66 and 79.

The structure of the regulatory own funds of OTP Group Luxembourg was good as at 31 December 2025. A total of 97.25% of total regulatory own funds is accounted for by Common Equity Tier 1 (CET1) capital, while 2.75% is accounted for by Tier 2 (T2) capital. Original own funds are comprised solely of CET1 capital. CET1 capital is comprised of own funds instruments amounting to €323.7 million issued by OTP Luxembourg Sa. r.l. Tier 2 capital with a carrying value of €80.7 million, which OTP banka took out with the parent bank, amounts to €44.1 million at OTP Group Luxembourg level if the provisions of Articles 64, 86 and 87 of the CRR are taken into account.

As at 31 December 2025, OTP Group Luxembourg’s regulatory own funds were up by €87.3 million relative to 31 December 2024, primarily as the result of the inclusion of a portion of net profit for the 2025 financial year in the amount of €73.7 million.

The structure of the regulatory own funds of OTP Group Slovenia was also good as at 31 December 2025. A total of 96.48% of total regulatory own funds is accounted for by Common Equity Tier 1 (CET1) capital, while 3.52% is accounted for by Tier 2 (T2) capital. Original own funds are comprised solely of CET1 capital. CET1 capital comprises own funds instruments issued by OTP banka in the amount of €710.1 million. Tier 2 capital comprises own funds instruments taken out by OTP banka with the parent bank in the amount of €80.7 million, amortised to a total amount of €21.8 million as per the provisions of the CRR. As at 31 December 2025, OTP Group Slovenia’s regulatory own funds were up by €71.6 million relative to 31 December 2024, primarily as the result of the inclusion in the calculation of CET1 capital of a portion of net profit for the 2025 financial year in the amount of €73.5 million.

Data regarding the regulatory own funds of OTP Group Luxembourg and OTP Group Slovenia as at 31 December 2025 is disclosed in the rows of Template EU CC1 relevant to them.

**Template 7: EU CC1 – Composition of regulatory own funds of OTP Group Luxembourg and OTP Group Slovenia**

€000

		Amounts as at 31 December 2025		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CCR2
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>				
1	Own funds instruments and the related share premium accounts	323,688	710,148	31, 32
	of which: Instrument type 1	323,688	710,148	31, 32
	of which: Instrument type 2	-	-	
	of which: Instrument type 3	-	-	
2	Retained earnings and value adjustments from previous years in respect of investment property	1,248,867	898,883	35
3	Accumulated other comprehensive income (and other reserves)	15,917	35,866	33, 34
EU-3a	Funds for general banking risks	-	-	
4	Amount of qualifying items referred to in Article 484(3) CRR and the related share premium accounts subject to phase out from CET1	-	-	
5	Minority interests (amount allowed in consolidated CET1)	-	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	73,669	73,475	36
<b>6</b>	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>1,662,141</b>	<b>1,718,372</b>	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>				



		Amounts as at 31 December 2025		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CCR2
7	Additional value adjustments (negative amount)	(577)	(567)	
8	Intangible assets (net of related tax liability) (negative amount)	(23,309)	(23,309)	13
9	Not applicable			
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(76,007)	(75,198)	16.29
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-	
15	Defined-benefit pension fund assets (negative amount)	-	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	-	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
20	Not applicable			
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	-	
EU-20c	of which: securitisation positions (negative amount)	-	-	
EU-20d	of which: free deliveries (negative amount)	-	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	-	-	
22	Amount exceeding the 17.65% threshold (negative amount)	-	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	-	



		Amounts as at 31 December 2025		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CCR2
24	Not applicable			
25	of which: deferred tax assets arising from temporary differences	-	-	
EU-25a	Losses for the current financial year (negative amount)	73,669	73,475	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-	36
26	Not applicable			
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-	
27a	Other regulatory adjustments	(5,226)	(5,194)	
<b>28</b>	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(31,450)</b>	<b>(30,803)</b>	
<b>29</b>	<b>Common Equity Tier 1 (CET1) capital</b>	<b>1,557,022</b>	<b>1,614,094</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>				
30	Own funds instruments and the related share premium accounts	-	-	
31	of which: classified as equity under applicable accounting standard	-	-	
32	of which: classified as liabilities under applicable accounting standards	-	-	
33	Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1	-	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	-	
<b>36</b>	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>	<b>-</b>	<b>-</b>	
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	



		Amounts as at 31 December 2025		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CCR2
41	Not applicable			
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-	
42a	Other regulatory adjustments to AT1 capital	-	-	
<b>43</b>	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>	-	-	
<b>44</b>	<b>Additional Tier 1 (AT1) capital</b>	-	-	
<b>45</b>	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>1,557,022</b>	<b>1,614,094</b>	
<b>Tier 2 (T2) capital: instruments</b>				
46	Own funds instruments and the related share premium accounts	-	58,869	
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	44,089	-	22
49	of which: instruments issued by subsidiaries subject to phase out	-	-	
50	Credit risk adjustments	-	-	
<b>51</b>	<b>Tier 2 (T2) capital before regulatory adjustments</b>	<b>44,089</b>	<b>58,869</b>	
<b>Tier 2 (T2) capital: regulatory adjustments</b>				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
54a	Not applicable			
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	
56	Not applicable			
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-	



		Amounts as at 31 December 2025		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CCR2
EU-56b	Other regulatory adjustments to T2 capital	-	-	
<b>57</b>	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	<b>0</b>	<b>0</b>	
<b>58</b>	<b>Tier 2 (T2) capital</b>	<b>44,089</b>	<b>58,869</b>	<b>22</b>
<b>59</b>	<b>Total capital (TC = T1 + T2)</b>	<b>1,601,111</b>	<b>1,672,963</b>	
<b>60</b>	<b>Total risk exposure amount</b>	<b>7,880,667</b>	<b>7,885,063</b>	
<b>Capital ratios and requirements including buffers</b>				
61	Common Equity Tier 1 capital	19.76%	20.47%	
62	Tier 1 capital	19.76%	20.47%	
63	Total capital	20.32%	21.22%	
64	Institution CET1 overall capital requirements	9.14%	10.02%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical capital buffer requirement	1.01%	1.01%	
67	of which: systemic risk buffer requirement	0.00%	0.13%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.00%	0.75%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.13%	1.13%	
<b>68</b>	<b>Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements</b>	<b>9.93%</b>	<b>10.92%</b>	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	22,288	22,288	3, 4, 11
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% threshold and net of eligible short positions)	0	0	
74	Not applicable			
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	4,959	4,959	16, 29
<b>Applicable caps on the inclusion of provisions in Tier 2</b>				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-	



		Amounts as at 31 December 2025		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		OTP Group Luxembourg	OTP Group Slovenia	Reference to row in EU CCR2
<b>Own funds instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)</b>				
80	Current cap on CET1 instruments subject to phase out arrangements	-	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	

#### 4.5 **DESCRIPTION OF ALL RESTRICTIONS APPLIED TO THE CALCULATION OF OWN FUNDS IN ACCORDANCE WITH THIS REGULATION AND THE INSTRUMENTS, PRUDENTIAL FILTERS AND DEDUCTIONS TO WHICH THOSE RESTRICTIONS APPLY**

*(Article 437(e) of the CRR)*

This disclosure is included in point 4.4. of this document.



#### **4.6 WHERE INSTITUTIONS DISCLOSE CAPITAL RATIOS CALCULATED USING ELEMENTS OF OWN FUNDS DETERMINED ON A BASIS OTHER THAN THAT LAID DOWN IN THIS REGULATION, A COMPREHENSIVE EXPLANATION OF THE BASIS ON WHICH THOSE CAPITAL RATIOS ARE CALCULATED**

*(Article 437(f) of the CRR)*

This disclosure is not relevant for the Group.

#### **4.7 DISCLOSURES IN CONNECTION WITH TRANSITIONAL ARRANGEMENTS FOR MITIGATING THE IMPACT OF THE INTRODUCTION OF IFRS 9 ON OWN FUNDS**

*(Article 437(f) of the CRR)*

This disclosure is not relevant for the Group because it did not opt to apply transitional arrangements to mitigate the impact of the introduction of IFRS 9 on original own funds.

#### **4.8 TRANSITIONAL PROVISIONS FOR DISCLOSURE OF OWN FUNDS**

*(Article 492 of the CRR)*

This disclosure is not relevant for the Group because it has not applied the transitional provisions for the calculation of regulatory own funds or any other risk-weighted asset amount since 1 January 2018. The transitional provisions are only taken into account in the calculation of capital buffers, which are in line with the provisions of the CRD.



## 4.A OWN FUNDS AND ELIGIBLE LIABILITIES

The Bank Recovery and Resolution Directive (BRRD) requires banks in EU Member States to maintain minimum requirements for own funds and eligible liabilities (MREL) in order to make bank resolution credible by establishing sufficient liability capacity for absorbing losses and for recapitalisation. OTP Group Slovenia's preferred resolution strategy (PRS) in a resolution process is based on the multiple-points-of-entry (MPE) approach.

MREL disclosures in this section relate exclusively to OTP Group Slovenia as an independent resolution group within the scope of the MPE strategy and do not include other resolution groups within the OTP banking group.

Under the provisions of Commission Implementing Regulation (EU) 2021/763 the Bank, which is defined as a resolution entity that is not a G-SII or part of a G-SII, discloses information on regulatory own funds and MREL on the basis of Templates EU TLAC1, EU KM2 and EU TLAC3b.

Since 1 January 2025, the Bank has been required, on a consolidated basis and at the level of the resolution group, which comprises OTP banka Slovenia, OTP Faktoring, SKB Leasing and SKB Leasing Select, to meet (1) the MREL TREA requirement of 22.36% of the total risk exposure amount (TREA), increased by the relevant combined buffer requirement (CBR) and (2) the MREL TEM (LRE) requirement of 5.91% of the total exposure measure of the leverage ratio exposure.

As at 31 December 2025, the Group met the supervisory bodies' MREL requirements. As at 31 December 2025, the MREL TREA was 31.34% and the MREL TEM (LRE) 15.10%, which means that the Group has an adequate surplus over and above the prescribed MREL requirements.

The Group has included the MREL requirements in the risk management and monitoring system in full.

### Template 8: EU TLAC1 – Composition – MREL

Own funds and eligible liabilities and adjustments		Minimum requirement for own funds and eligible liabilities (MREL) (in €000)
1	Common Equity Tier 1 capital	1,614,094
2	Additional Tier 1 capital	0
3	Empty set in the EU	
4	Empty set in the EU	
5	Empty set in the EU	
6	Tier 2 capital	58,869
7	Empty set in the EU	
8	Empty set in the EU	
11	Own funds for the purpose of Articles 92a of Regulation (EU) No 575/2013 and 45 of Directive 2014/59/EU	1,672,963
Own funds and eligible liabilities: Non-regulatory capital elements		
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	198,292
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	0
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities issued prior to 27 June 2019 (subordinated grandfathered)	0
EU-12c	Tier 2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier 2 items	0



		Minimum requirement for own funds and eligible liabilities (MREL) (in €000)
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre-cap)	599,950
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)	0
14	Amount of non subordinated eligible liabilities instruments, where applicable after application of Article 72b (3) CRR	0
15	Empty set in the EU	
16	Empty set in the EU	
17	Eligible liabilities items before adjustments	798,242
EU-17a	Of which subordinated liabilities items	198,292
<b>Own funds and eligible liabilities: Adjustments to non-regulatory capital elements</b>		
18	Own funds and eligible liabilities items before adjustments	2,471,205
19	(Deduction of exposures between multiple point of entry (MPE) resolution groups)	
20	(Deduction of investments in other eligible liabilities instruments)	0
21	Empty set in the EU	
22	Own funds and eligible liabilities after adjustments	2,471,205
EU-22a	Of which: own funds and subordinated liabilities	1,871,255
<b>Risk-weighted exposure amount and leverage exposure measure of the resolution group</b>		
23	Total risk exposure amounts (TREA)	7,885,063
24	Total exposure measure (TEM)	16,361,287
<b>Ratio of own funds and eligible liabilities</b>		
25	Own funds and eligible liabilities as a percentage of TREA	31.34%
EU-25a	Of which: own funds and subordinated liabilities	23.73%
26	Own funds and eligible liabilities as a percentage of TEM	15.10%
EU-26a	Of which: own funds and subordinated liabilities	11.44%
27	CET1 (as a percentage of the TREA) available after meeting the resolution group's requirements	
28	Institution-specific combined buffer requirement	
29	of which: capital conservation buffer requirement	
30	of which: countercyclical capital buffer requirement	
31	of which: systemic risk buffer requirement	
EU-31a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	
<b>Memorandum items</b>		
EU-32	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013	



**Template 9: EU KM2 – Key metrics – MREL**

		Minimum requirement for own funds and eligible liabilities (MREL) (in €000)
		31/12/2025
<b>Own funds and eligible liabilities, ratios and components</b>		
1	Own funds and eligible liabilities	2,471,205
EU-1a	Of which: own funds and subordinated liabilities	1,871,255
2	Total risk exposure amount of the resolution group (TREA)	7,885,063
3	Own funds and eligible liabilities as a percentage of TREA	31.34%
EU-3a	Of which: own funds and subordinated liabilities	23.73%
4	Total exposure measure (TEM) of the resolution group	16,361,287
5	Own funds and eligible liabilities as a percentage of TEM	15.10%
EU-5a	Of which own funds or subordinated liabilities	11.44%
6a	Does the subordination exemption in Article 72b(4) of Regulation (EU) No 575/2013 apply? (5% exemption)	
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion in accordance with Article 72b(3) of Regulation (EU) No 575/2013 is applied (max 3.5% exemption)	
6c	If a capped subordination exemption applies in accordance with Article 72b(3) of Regulation (EU) No 575/2013, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised under row 1 if no cap was applied (%)	
<b>Minimum requirement for own funds and eligible liabilities (MREL)</b>		
EU-7	MREL expressed as a percentage of the TREA	22.36%
EU-8	Of which to be met with own funds or subordinated liabilities	-
EU-9	MREL expressed as a percentage of the TEM	5.91%
EU-10	Of which to be met with own funds or subordinated liabilities	-

Template EU KM2 discloses OTP Group Slovenia information on key MREL metrics as at 31 December 2025 required under Article 45i(3)(a) and (c) BRRD.



Template EU TLAC3b below discloses the creditor ranking of the regulatory own funds and MREL-eligible liabilities of OTP banka as a resolution entity.



**Template 10: EU TLAC3b – Creditor ranking - resolution entity**

€000

		Insolvency rank										Sum of 1 to 10	
		1	2	3	4	5	6	7	8	9	10		
		(lowest place)											
1	Description of insolvency rank	Claims from Items of Common Equity Tier 1 instruments	Subordinated claims that under a contractual arrangement between the parties are repaid after the repayment of the claims referred to in points 10 to 3	Unsecured claims for debt securities that fulfil all the following conditions: their original contractual maturity is at least one year, they are not derivatives nor do they have built-in characteristics of derivatives, the contractual documents concerned or prospectus related to their issue expressly state that in the event of proceedings for compulsory winding-up of a bank claims for these instruments shall be recovered after the claims referred to in points 10 to 4 and before the subordinated claims referred to in point 2	Unsecured claims other than debt instruments from point 3	Bank deposits which are not deemed to be eligible or claims referred to in point 9, including: deposits by banks and investment firms and other financial institutions made on their behalf and for their account, deposits by insurance undertakings, reinsurance undertakings and insurance holding companies, deposits by undertakings for collective investment in transferable securities, including investment undertakings of the closed-ended type, deposits by pension funds and pension companies, deposits by states and central banks and deposits by entities that are direct or indirect users of the state budget, deposits by local communities and deposits by direct and indirect users of the budgets of local communities	Other eligible deposits not included in points 9 or 7	Eligible deposits by depositors who are natural or legal persons that meet the criteria for micro, small and medium-sized enterprises as defined by the Act governing companies, in amounts exceeding guaranteed deposits including deposits that could be deemed eligible if they had not been paid into a bank subsidiary in a third country	Claims with original maturity of less than seven days, held by an institution other than those belonging to the same group, or payment or settlement systems or operators of or participants in these systems if the claims arise from the resolution entity's involvement in a payment or settlement system and the settlement in such system is subject to the final settlement of orders in the event of insolvency or other membership termination procedure, as defined by the Act governing payment services and systems or the Act governing the financial instruments market	Guaranteed deposits	Preferred claims		
2	Empty set in the EU												
3	Empty set in the EU												
4	Empty set in the EU												
5	Own funds and liabilities potentially eligible for meeting MREL	1,604,435	80,657	176,504	599,950								2,461,546
6	of which residual maturity = 1 year and < 2 years			176,504									176,504
7	of which residual maturity = 2 years and = 5 years		80,657		599,950								680,606
8	of which residual maturity = 5 years and = 10 years												0
9	of which residual maturity = 10 years, but excluding perpetual securities												0
10	of which perpetual securities	1,604,435											1,604,435

\*level OTP banka d.d.



# 5 OWN FUNDS REQUIREMENTS AND RISK-WEIGHTED EXPOSURE AMOUNTS

This section defines the disclosure requirements set out in Article 438 of Part Eight of the CRR, and in the templates prescribed in Articles 1(2), 1(3), 1(4), 11(d), 12, 13(g) and 15(2d) of Commission Implementing Regulation (EU) 2021/637.

## 5.1 SUMMARY OF THE INSTITUTION'S APPROACH TO ASSESSING THE ADEQUACY OF ITS INTERNAL CAPITAL TO SUPPORT CURRENT AND FUTURE ACTIVITIES

*(Article 438(a) of the CRR)*

The Group has a Risk Appetite Strategy with Risk Appetite Statement in place at OTP Group Slovenia and OTP Group Luxembourg level. In that document, the Bank defined the risk appetite at the Group level taking into account the given risk-bearing capacity. The Strategy is complemented by the OTP Group Slovenia Operational Limits Handbook.

The Group has a Policy on the Management of Own Funds and Own Funds Requirements for the purpose of managing and calculating Pillar 1 own funds requirements; in the scope of Pillar 2, the Group has a Policy on the Implementation of the Internal Capital Adequacy Assessment Process, which illustrates mutual links within the ICAAP. Implementing documents for both policies comprise methodologies that define the approach for identifying and measuring risks, for calculating Pillar 1 and Pillar 2 own funds requirements, and regulatory and internal own funds, and for performing stress tests. All the aforementioned bylaws also apply at OTP Group Luxembourg level.

The Group identifies risks based on the internal Methodology for the risk profile assessment.

In the first step, the Group identifies all financial and non-financial risks to which it is exposed in its operations through the risk profiling process. In doing so, it makes use of valid legislation, best practices and internal assessments. The Group includes the set of risks in the Risk Appetite Strategy and risk profile report. In 2025, in response to the updates to the CRR effective from 1 January 2025, the Bank separated the specialised lending risk and the project financing risk into two independent risk types, and also separated the legal risk from the operational risk into an independent risk type. The Bank also reviewed the risk definitions and aligned them with the provisions of the legislation where possible, particularly the provisions of the CRR3.

**Table 6: Set of risks for 2025**

Credit risks	Market risks	Operational risks	Liquidity risks	Other risks
Credit default risk	Credit spread risk	Compliance risk	Funding risk	Business/strategic risk
Credit concentration risk	Currency risk	Conduct risk	Market liquidity risk	Capital risk
Counterparty credit risk	Position risk	Information and physical security risk (formerly: cyber crime risk)	Intraday liquidity risk	Interest rate risk in the banking book (IRRBB)
Country risk		Data quality risk	Asset encumbrance risk	Credit valuation adjustment risk in the banking book
FX lending risk		Fraud risk (internal and external)		Profitability risk
Migration risk		HR management risk		
Residual risk		Operational risk		
Specialised lending risk		Outsourcing risk		



Credit risks	Market risks	Operational risks	Liquidity risks	Other risks
Project financing risk		Project risk		
Variable lending risk		Reputation risk		
Real estate risk		ICT risk (formerly: systemic/IT risk)		
Sovereign risk		Model risk		
Settlement risk		Legal risk		

The Bank includes environmental, social and governance risks (ESG risks) in its set of risks. These are regarded as being integrated into other types of risks and therefore not standalone types of risk. The assessment of ESG risks and factors is carried out through questionnaires, i.e. through the assessment of threats and controls in relation to individual types of risk within the risk profile assessment. The set of ESG risks and factors is an integral part of the Risk Appetite Strategy and the risk profile report. The integration of ESG risks and factors into other types of risk is presented in the table below, while a detailed description of the management of ESG risks can be found in Chapter 23.

**Table 7:** Integration of ESG risks and factors into the set of risks

Risk type	Environmental risks (E)		Social risks (S)	Governance risks (G)
	Physical	Transition		
<b>Credit risks</b>				
Credit default risk	Yes	Yes	Yes	Yes
Credit concentration risk	Yes		Yes	Yes
FX lending risk				
Residual risk	Yes	Yes		
Country risk	Yes	Yes	Yes	Yes
Migration risk	Yes	Yes	Yes	Yes
Counterparty credit risk				
Project financing risk	Yes	Yes	Yes	Yes
Specialised lending risk	Yes	Yes	Yes	Yes
Variable lending risk				
Real-estate risk	Yes	Yes		
Sovereign risk	Yes	Yes	Yes	Yes
Settlement risk				
<b>Market risks</b>				
Position risk	Yes	Yes	Yes	Yes
Foreign exchange risk				
Credit valuation adjustment risk				
<b>Operational risks</b>				
Conduct risk			Yes	Yes
Compliance risk				Yes
Fraud risk				Yes
Operational risk	Yes		Yes	Yes
Legal risk		Yes	Yes	Yes
Reputation risk	Yes	Yes		Yes
Model risk				
ICT risk	Yes	Yes		Yes
Project risk			Yes	Yes
Information and physical security risk				Yes
Human resources risk	Yes		Yes	Yes
Outsourcing risk	Yes	Yes	Yes	Yes
Data quality risk				Yes
<b>Credit spread risk</b>	Yes	Yes	Yes	Yes
<b>Interest rate risk in the banking book (IRRBB)</b>	Yes	Yes		
<b>Liquidity risks</b>				
Funding risk	Yes	Yes		Yes
Market liquidity risk	Yes	Yes	Yes	Yes
Intraday liquidity risk	Yes			



Risk type	Environmental risks (E)		Social risks (S)	Governance risks (G)
	Physical	Transition		
Asset encumbrance risk	Yes			
<b>Business/strategic risks</b>				
Business/strategic risk				Yes
Profitability risk	Yes	Yes		Yes
<b>Other types of risk</b>				
Capital risk				Yes

The Bank also includes geopolitical risks, macroeconomic risks and AI risks in its set of risks, and also assesses the risks associated with digitalisation. All these risks and factors are, like ESG risks, assessed as integrated into other types of risk. As with ESG risks, the assessment of these risks and factors is carried out through questionnaires, i.e. through the assessment of threats and controls in relation to individual types of risk within the risk profile assessment. The table below sets out the integration of geopolitical and macroeconomic risks and of AI and digitalisation risks into other types of risk.

**Table 8:** Integration of geopolitical and macroeconomic risks and of AI and digitalisation\* risks into the set of risks

	Macroeconomic risk	Geopolitical risk	AI risk	Digitalisation risk*
<b>Credit risks</b>				
Credit default risk	Yes	Yes	Yes	Yes
Credit concentration risk	Yes	Yes	Yes	Yes
FX lending risk	Yes	Yes		
Residual risk	Yes	Yes		
Country risk	Yes	Yes	Yes	Yes
Migration risk	Yes	Yes		
Counterparty credit risk	Yes	Yes		
Project financing risk	Yes	Yes		
Specialised lending risk	Yes	Yes		
Variable lending risk	Yes	Yes		
Real-estate risk	Yes	Yes		
Sovereign risk	Yes	Yes	Yes	Yes
Settlement risk	Yes	Yes	Yes	Yes
<b>Market risks</b>				
Position risk	Yes	Yes	Yes	Yes
Currency risk	Yes	Yes	Yes	Yes
Credit valuation adjustment risk	Yes	Yes		
<b>Operational risks</b>				
Conduct risk				Yes
Compliance risk				Yes
Fraud risk			Yes	Yes
Operational risk	Yes	Yes	Yes	Yes
Legal risk			Yes	Yes
Reputation risk	Yes	Yes	Yes	Yes
Model risk	Yes	Yes	Yes	Yes
ICT risk	Yes	Yes	Yes	Yes
Project risk	Yes	Yes	Yes	Yes
Information and physical security risk		Yes	Yes	Yes
Human resources risk			Yes	Yes
Outsourcing risk	Yes	Yes	Yes	Yes
Data quality risk			Yes	Yes
<b>Credit spread risk</b>	Yes	Yes		
<b>Interest rate risk in the banking book (IRRBB)</b>	Yes	Yes		Yes
<b>Liquidity risks</b>				
Funding risk	Yes	Yes	Yes	Yes
Market liquidity risk	Yes	Yes		



	Macroeconomic risk	Geopolitical risk	AI risk	Digitalisation risk*
Intraday liquidity risk	Yes		Yes	Yes
Asset encumbrance risk	Yes	Yes		
<b>Business/strategic risks</b>				
Business/strategic risk	Yes	Yes	Yes	Yes
Profitability risk	Yes	Yes	Yes	Yes
<b>Other types of risk</b>				
Capital risk	Yes	Yes	Yes	Yes

\*Unlike geopolitical, macroeconomic and AI risks, digitalisation is not included in the risk register as a separate risk. Nevertheless, its potential impact is assessed as part of the procedure for assessing threats within individual risks included in the set of risks.

After risks have been identified, the Bank draws up a questionnaire with threats and the associated controls for every risk. Questionnaires include actual events at the geopolitical level and in the business environment (macro and micro level), and in the areas of risk management and legislative changes. They are assessed by management-level employees and the owners of specific types of risk. The Group's risk profile is developed on the basis of the results of questionnaires, while risks are also addressed within the scope of the ICAAP and ILAAP.

**Materiality of risks in the scope of the ICAAP**

Significant risks are identified based on an assessment of the Group's risk profile, and are then assessed in terms of materiality. Various quantitative criteria or the professional judgement of an individual are used to that end. Risks for which internal capital is allocated and internal capital requirements are calculated are defined in the next step.

**Materiality of risk factors in the scope of the ICAAP**

The Group identifies and assesses the materiality of risk factors within the scope of the ICAAP, as described in the ICAAP methodology covering the performance of stress tests within OTP Group Slovenia. The Group updates the identification and assessment process annually. The Group has identified risk factors that affect risk management within the Group, primarily through internally developed models, and assesses their impact and materiality with the help of sensitivity analyses.

The assessment of the materiality of climate-related and environmental risk factors is described in more detail in Chapter 23.

**Assessment of internal own funds requirements**

The assessment of internal own funds requirements represents the Group's own view of the level of own funds required to cover unexpected losses arising from risks to which it is materially exposed in its operations, at both OTP Group Slovenia and OTP Group Luxembourg level. The Group calculates the amount of internal capital required to cover risks for which it allocates internal capital and calculates Pillar 2 capital requirements based on internal models using the going concern approach and a confidence interval of 99.9%.

When determining the thresholds for the required capital adequacy ratios, the Group pays due regard to the regulatory requirements, its own internal assessments and the management buffer level set.

The current amounts of regulatory own funds and internal capital of OTP Group Slovenia and OTP Group Luxembourg are monitored at meetings of the ALCO, the Risk Committee and the Supervisory Board.

**5.2 AMOUNT OF ADDITIONAL OWN FUNDS REQUIREMENTS BASED ON THE SUPERVISORY REVIEW PROCESS AS REFERRED TO IN POINT (A) OF ARTICLE 104(1) OF DIRECTIVE 2013/36/EU AND KEY METRICS**

*(Articles 438(b) and 447 of the CRR)*

The Group must fulfil the minimum Pillar 1 own funds requirements set out in the CRR and that relate to:

- the Common Equity Tier 1 capital ratio and must be at least 4.5%;
- the Tier 1 capital ratio and must be at least 6.0%; and



- the total capital ratio and must be at least 8.0%.

In the context of the above-mentioned, the Group must also meet the Pillar 2 own funds requirements set out in the CRD and defined by the joint supervisory team:

- Pillar 2 requirement (P2R);
- Pillar 2 guidance (P2G); and
- the combined buffer requirement (CBR).

Total minimum and supervisory capital requirements comprise the total SREP capital requirement (TSCR), total minimum and supervisory capital requirements, while the combined buffer requirement comprises the overall capital requirement (OCR) that must be met by the Group. Under the provisions of the CRD, the Bank is obliged to meet the P2R requirement of at least 56.25% of CET1 capital and at least 75% of Tier 1 capital. The Group is obliged to cover the combined buffer requirement with CET1 capital, where it must also meet the P2G, likewise with CET1 capital.

**Table 9: Own funds requirements within the SREP (COREP reporting) as at 31 December 2025**

Indicator	OTP Group Luxembourg	OTP Group Slovenia
Total SREP capital requirement (TSCR)	10.00%	10.00%
Overall capital requirement (OCR)	13.51%	14.39%
Overall capital requirement (OCR) and Pillar 2 Guidance (P2G)	15.01%	15.89%

\*The difference between groups is 0.75% and derives from the capital buffer for other systemically important institutions and the sectoral systemic risk buffer of 0.13%, which are only binding at OTP Group Slovenia level.

The Groups meet all the requirements of the legislation or supervisory bodies regarding capital adequacy ratios.

**Table 10: Breakdown of SREP own funds requirements (COREP reporting) for OTP Group Slovenia**

SREP requirement	2024*	2025
Pillar 2 capital requirements (P2R)	2.00%	2.00%
Pillar 2 Guidance (P2G)	1.50%	1.50%
Capital conservation buffer (CCoB)	2.50%	2.50%
Institution-specific countercyclical capital buffer (CCyB)	0.58%	1.01%
Other Systemically Important Institution buffer (OSIB)*	0.50%	0.75%
Sectoral systemic risk buffer (SSyRB)*	0.19%	0.13%

\*The capital buffer for OSIs (other systemically important institutions) and the SSyRB (sectoral systemic risk buffer) are only binding at OTP Group Slovenia level.

The total capital ratio (TC ratio) of OTP Group Luxembourg was 20.32% as at 31 December 2025, while the Common Equity Tier 1 capital ratio (CET1 ratio) stood at 19.76%, as Template 11 shows. The TC ratio was up 39 basis points in comparison with 31 December 2024, while the CET1 ratio was up 54 basis points as a result of higher Tier 1 capital (retention of a part of net profit of the 2025 financial year, pursuant to an authorisation from the ECB). Total risk exposure rose by €232 million.



Template 11: EU KM1 – Key metrics template of OTP Group Luxembourg

€000

		a	c	e
		31/12/2025	30/06/2025	31/12/2024
<b>Available own funds (amounts)</b>				
1	Common Equity Tier 1 capital	1,557,022	1,478,055	1,469,763
2	Tier 1 capital	1,557,022	1,478,055	1,469,763
3	Total capital	1,601,111	1,528,212	1,524,494
<b>Risk-weighted exposure amounts</b>				
4	Total risk exposure amount	7,880,667	7,558,603	7,648,543
4a	Total risk exposure pre-floor	7,880,667	7,558,603	7,648,543
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>				
5	Common Equity Tier 1 ratio (%)	19.76%	19.55%	19.22%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	19.76%	19.55%	19.22%
6	Tier 1 ratio (%)	19.76%	19.55%	19.22%
6b	Tier 1 ratio considering unfloored TREA (%)	19.76%	19.55%	19.22%
7	Total capital ratio (%)	20.32%	20.22%	19.93%
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>				
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.00%	2.00%	2.00%
7b	Total capital ratio considering unfloored TREA (%)	20.32%	20.22%	19.93%
EU 7e	of which: to be made up of CET1 capital (percentage points)	1.13%	1.13%	1.13%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1.50%	1.50%	1.50%
EU 7g	Total SREP own funds requirement (%)	10.00%	10.00%	10.00%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>				
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%
9	Institution-specific countercyclical capital buffer (%)	1.01%	0.99%	0.58%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%
11	Combined buffer requirement (%)	3.51%	3.49%	3.08%
EU 11a	Overall capital requirement (%)	13.51%	13.49%	13.08%
12	CET1 available after meeting the total SREP own funds requirement (%)	10.32%	10.22%	9.93%



		a	c	e
		31/12/2025	30/06/2025	31/12/2024
<b>Leverage ratio</b>				
13	Total exposure measure	16,357,427	15,911,302	15,766,825
14	Leverage ratio (%)	9.52%	9.29%	9.32%
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>				
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (%)	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>				
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%
<b>Liquidity coverage ratio (%)</b>				
15	Total high-quality liquid assets (HQLA) (Weighted value – average)	5,415,299	5,481,286	4,806,861
EU 16a	Cash outflows – Total weighted value	1,904,137	1,820,127	1,438,241
EU 16b	Cash inflows – Total weighted value	463,774	432,831	365,116
16	Total net cash outflows (adjusted value)	1,440,364	1,387,296	1,073,125
17	Liquidity coverage ratio (%)	377.90%	401.77%	455.12%
<b>Net stable funding ratio</b>				
18	Total available stable funding	12,885,570	12,561,690	12,230,328
19	Total required stable funding	7,192,907	6,948,815	6,743,850
20	NSFR (%)	179.14%	180.77%	181.36%

\*The capital buffer for OSII and SSyRB are only binding at OTP Group Slovenia level.



### **5.3 UPON DEMAND FROM THE RELEVANT COMPETENT AUTHORITY, THE RESULT OF THE INSTITUTION'S INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS**

*(Article 438(c) of the CRR)*

The Group is not obliged to disclose the results of the Internal Capital Adequacy Assessment Process.

### **5.4 TOTAL RISK-WEIGHTED EXPOSURE AMOUNT AND THE CORRESPONDING TOTAL OWN FUNDS REQUIREMENT DETERMINED IN ACCORDANCE WITH ARTICLE 92, AND AN EXPLANATION OF THE EFFECT ON THE CALCULATION OF OWN FUNDS AND RISK-WEIGHTED EXPOSURE AMOUNTS THAT RESULTS FROM APPLYING CAPITAL FLOORS AND NOT DEDUCTING ITEMS FROM OWN FUNDS**

*(Article 438(d) of the CRR)*

The Group uses the standardised approach to calculate the own funds requirements for credit risk and counterparty credit risk, the simplified standardised approach to calculate the own funds requirements for market risks, and an approach based on the calculation of the Business Indicator Component (BIC) for operational risk.

OTP Group Luxembourg's total risk exposure amount as at 31 December 2025 was up €232.1 million relative to 31 December 2024. This was the result of:

- higher risk-weighted assets for credit risk as a consequence of the implementation of regulatory amendments to the CRR3 and the implementation of the Group's business and investment strategy;
- lower risk-weighted assets for operational risk as a consequence of the implementation of regulatory amendments to the CRR3.

The changes to the total risk exposure of OTP Group Luxembourg also reflect changes to the total risk exposure of OTP Group Slovenia.

Template EU OV1 below shows the structure of the total risk exposure of OTP Group Luxembourg and OTP Group Slovenia as at 31 December 2025 and 31 December 2024.



Template 12: EU OV1 – Overview of total risk exposure amounts of OTP Group Luxembourg

€000

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31/12/2025	31/12/2024	31/12/2025
1	Credit risk (excluding CCR)	7,043,287	6,490,799	563,463
2	of which the standardised approach	7,043,287	6,490,799	563,463
3	of which the foundation IRB (F-IRB) approach	0	0	0
4	of which: slotting approach	0	0	0
EU 4a	of which: equities under the simple risk-weighted approach	0	0	0
5	of which the advanced IRB (A-IRB) approach	0	0	0
6	Counterparty credit risk – CCR	23,246	110,012	1,860
7	of which the Standardised Approach	0	0	0
8	of which internal model method (IMM)	0	0	0
EU 8a	of which exposures to a CCP	2,354	77,823	188
9	of which other CCR	20,891	32,189	1,671
10	Credit valuation adjustments risk – CVA risk	2,238	4,625	179
EU 10a	Of which the standardised approach (SA)			
EU 10b	Of which the basic approach (F-BA and R-BA)			
EU 10c	of which the simplified approach	2,238		179
11	Not applicable	0	0	0
12	Not applicable	0	0	0
13	Not applicable	0	0	0
14	Not applicable	0	0	0
15	Settlement risk	0	0	0
16	Securitisation exposures in the non-trading book (after the cap)	0	0	0
17	of which SEC-IRBA approach	0	0	0
18	of which SEC-ERBA (including IAA)	0	0	0
19	of which SEC-SA approach	0	0	0
EU 19a	of which 1250% weight/deduction	0	0	0
20	Position, foreign exchange and commodities risks (Market risk)	1,135	221	91
21	of which the alternative standardised approach (A-SA)	0	0	0
EU 21a	of which the standardised approach	1,135	221	91
22	of which IMA	0	0	0
EU 22a	Large exposures	0	0	0
23	Reclassifications between the trading and non-trading books			
24	Operational risk	810,762	1,042,887	64,861
EU 24a	Exposures to crypto-assets	0	0	0
25	Amounts below the thresholds for deduction (250% risk weighting)	12,396	20,457	992
<b>29</b>	<b>Total</b>	<b>7,880,667</b>	<b>7,648,543</b>	<b>630,453</b>



Template 13: EU OV1 – Overview of total risk exposure amounts of OTP Group Slovenia

€000

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31/12/2025	31/12/2024	31/12/2025
1	Credit risk (excluding CCR)	7,047,425	6,495,286	563,794
2	of which the standardised approach	7,047,425	6,495,286	563,794
3	of which the foundation IRB (F-IRB) approach	0	0	0
4	of which: slotting approach	0	0	0
EU 4a	of which: equities under the simple risk-weighted approach	0	0	0
5	of which the advanced IRB (A-IRB) approach	0	0	0
6	Counterparty credit risk – CCR	23,246	110,012	1,860
7	of which the Standardised Approach	0	0	0
8	of which internal model method (IMM)	0	0	0
EU 8a	of which exposures to a CCP	2,354	77,823	188
9	of which other CCR	20,891	32,189	1,671
10	Credit valuation adjustments risk – CVA risk	2,238	4,625	179
EU 10a	of which the standardised approach (SA)	0	0	0
EU 10b	of which the basic approach (F-BA and R-BA)	0	0	0
EU 10c	of which the simplified approach	2,238	0	179
11	Not applicable	0	0	0
12	Not applicable	0	0	0
13	Not applicable	0	0	0
14	Not applicable	0	0	0
15	Settlement risk	0	0	0
16	Securitisation exposures in the non-trading book (after the cap)	0	0	0
17	of which SEC-IRBA approach	0	0	0
18	of which SEC-ERBA (including IAA)	0	0	0
19	of which SEC-SA approach	0	0	0
EU 19a	of which 1250% weight/deduction	0	0	0
20	Position, foreign exchange and commodities risks (Market risk)	1,135	221	91
21	of which the alternative standardised approach (A-SA)	0	0	0
21	of which the standardised approach	1,135	221	91
22	of which IMA	0	0	0
EU 22a	Large exposures	0	0	0
23	Reclassifications between the trading and non-trading books	0	0	0
24	Operational risk	811,019	1,043,575	64,882
EU 24a	Exposures to crypto-assets	0	0	0
25	Amounts below the thresholds for deduction (250% risk weighting)	12,396	20,457	992
<b>29</b>	<b>Total</b>	<b>7,885,063</b>	<b>7,653,719</b>	<b>630,805</b>



**5.5 ON- AND OFF-BALANCE-SHEET EXPOSURES, RISK-WEIGHTED EXPOSURE AMOUNTS AND ASSOCIATED EXPECTED LOSSES FOR EACH CATEGORY OF SPECIALISED LENDING REFERRED TO IN TABLE 1 OF ARTICLE 153(5) AND THE ON- AND OFF-BALANCE-SHEET EXPOSURES AND RISK-WEIGHTED EXPOSURE AMOUNTS FOR THE CATEGORIES OF EQUITY EXPOSURES SET OUT IN ARTICLE 155(2)**

*(Article 438 (e) of the CRR)*

This disclosure is not relevant for the Group because it does not use the IRB Approach to calculate own funds requirements for credit risk.

**5.6 EXPOSURE VALUE AND THE RISK-WEIGHTED EXPOSURE AMOUNT OF OWN FUNDS INSTRUMENTS HELD IN ANY INSURANCE UNDERTAKING, REINSURANCE UNDERTAKING OR INSURANCE HOLDING COMPANY THAT THE INSTITUTIONS DO NOT DEDUCT FROM THEIR OWN FUNDS IN ACCORDANCE WITH ARTICLE 49 WHEN CALCULATING THEIR CAPITAL REQUIREMENTS ON AN INDIVIDUAL, SUB-CONSOLIDATED AND CONSOLIDATED BASIS**

*(Article 438(f) of the CRR)*

OTP Group Luxembourg and OTP Group Slovenia have the same capital investment portfolio, as OTP Group Luxembourg does not hold authorisations or licences to perform any type of banking activity. The two groups did not hold a material capital investment in the own funds instruments of insurance undertakings, reinsurance undertakings or insurance holding companies that they did not deduct from their own funds as at 31 December 2025, but do hold an immaterial investment for which they calculate risk-weighted assets for credit risk using a risk weight of 100%.

Template EU INS1 below shows the insurance participations of OTP Group Luxembourg and OTP Group Slovenia as at 31 December 2025.

**Template 14:** EU INS1 – Insurance participations of OTP Group Luxembourg and OTP Group Slovenia  
€000

		a	b
		Exposure value	Risk exposure amount
1	Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	133	133



**5.7 SUPPLEMENTARY OWN FUNDS REQUIREMENT AND THE CAPITAL ADEQUACY RATIO OF THE FINANCIAL CONGLOMERATE CALCULATED IN ACCORDANCE WITH ARTICLE 6 OF DIRECTIVE 2002/87/EC AND ANNEX I TO THAT DIRECTIVE WHERE METHOD 1 OR 2 SET OUT IN THAT ANNEX IS APPLIED**

*(Article 438(g) of the CRR)*

This disclosure is not relevant for the Group.

**5.8 VARIATIONS IN THE RISK-WEIGHTED EXPOSURE AMOUNTS OF THE CURRENT DISCLOSURE PERIOD COMPARED TO THE IMMEDIATELY PRECEDING DISCLOSURE PERIOD THAT RESULT FROM THE USE OF INTERNAL MODELS, INCLUDING AN OUTLINE OF THE KEY DRIVERS EXPLAINING THOSE VARIATIONS**

*(Article 438(h) of the CRR)*

This disclosure is not relevant for the Group because it does not use the IRB Approach to calculate own funds requirements for credit risk.



## 6 EXPOSURE TO COUNTERPARTY CREDIT RISK

This section defines the disclosure requirements set out in Article 439 of Part Eight of the CRR and Section 4.11 of the Guidelines.

### 6.1 DESCRIPTION OF THE METHODOLOGY USED TO ASSIGN INTERNAL CAPITAL AND CREDIT LIMITS FOR COUNTERPARTY CREDIT EXPOSURES, INCLUDING THE METHODS TO ASSIGN THOSE LIMITS TO EXPOSURES TO CENTRAL COUNTER-PARTIES

*(Article 439(a) of the CRR)*

The Bank manages counterparty credit risk using the appropriate processes (daily monitoring and valuation, and margin calls) and the limit system, while the own funds to cover those risks are allocated in the scope of the allocation of own funds for credit risk (default risk).

The calculation of the allocation of internal capital for derivatives, repo transactions and securities lending transactions is performed in accordance with an internal methodology that defines the method used to calculate the allocation of internal capital. The Bank's exposure to counterparty credit risk is rather immaterial due to the small scope of such business transactions. For this reason, the Bank allocated own funds in the amount of Pillar 1 own funds requirement for such exposures in the scope of the allocation of internal capital.

The Bank's portfolio does not include any repo transactions or securities lending transactions.

Under Pillar 1, own funds requirements for derivatives are calculated using the original exposure method in accordance with Article 282 of the CRR.

The Group has a limit system in place to limit exposure to counterparty credit risk. Exposure to customers and the achievement of limits are monitored daily. The limit system defines the maximum permitted exposure to an individual counterparty. That exposure depends on the customer's credit rating and other parameters that are subject to the customer's risk assessment, and the size and type of financial instrument.

### 6.2 DESCRIPTION OF POLICIES RELATED TO GUARANTEES AND OTHER CREDIT RISK MITIGANTS, SUCH AS THE POLICIES FOR SECURING COLLATERAL AND ESTABLISHING CREDIT RESERVES

*(Article 439(b) of the CRR)*

The parent bank of the Group has concluded an ISDA (International Swaps and Derivatives Association) master agreement with financial institutions for the purpose of concluding derivatives transactions outside the regulated market. For the purpose of mitigating credit risk, the Bank has signed a credit support annex (CSA) to the aforementioned ISDA Master Agreement with certain banks. That annex governs coverage in the event of unfavourable movements on the market, and thus mitigates credit risk.

That annex governs coverage in the event of unfavourable movements on the market, and thus mitigates credit risk. The parent bank of the Group has entered into a framework agreement counterparties on derivatives transactions with non-financial. That agreement ensures the netting of claims and liabilities from derivatives transactions in the event of counterparty default.

The Bank only provides derivatives transactions without collateral to customers with the highest credit rating, while it includes the respective exposure to credit risk from such transactions in the calculation of the total exposure. The Bank only provides derivatives transactions to other customers with the approval of the competent body of the Bank or if the latter receives prime collateral.



### **6.3 DESCRIPTION OF POLICIES WITH RESPECT TO GENERAL WRONG-WAY RISK AND SPECIFIC WRONG-WAY RISK**

*(Article 439(c) of the CRR)*

If exposure to a counterparty increases due to unfavourable market movements, the Bank asks the counterparty to provide additional prime collateral. The Bank has the option of closing the position if the counterparty does not provide that prime collateral. The Bank monitors counterparty credit risk daily on the basis of available market prices or prices calculated according to an internal model, the input data for which are prevailing market prices.

The Bank has defined the minimum acceptable credit quality of assets that it accepts as collateral for repo transactions.

### **6.4 AMOUNT OF COLLATERAL THE INSTITUTION WOULD HAVE TO PROVIDE IF ITS CREDIT RATING WAS DOWNGRADED**

*(Article 439(d) of the CRR)*

Given the low stock of derivatives in the Group's portfolio, the downgrading of the Bank would not lead to an increase of the stock of collateral.

### **6.5 AMOUNT OF SEGREGATED AND UNSEGREGATED COLLATERAL RECEIVED AND POSTED PER TYPE OF COLLATERAL, FURTHER BROKEN DOWN BETWEEN COLLATERAL USED FOR DERIVATIVES AND SECURITIES FINANCING TRANSACTIONS**

*(Article 439(e) of the CRR)*

The Bank exchanges collateral in accordance with concluded CSAs.

The Group does not use contractual netting. The gross positive value of contracts is equal to the net credit exposure from derivatives.

Template EU CCR5 below shows the composition of assets received as collateral for OTP Group Luxembourg's exposures as at 31 December 2025.



Template 15: EU CCR5 – Composition of collateral for CCR exposures at OTP Group Luxembourg

€000

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
Collateral type		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	0	26,787	0	6,927	0	0	0	0
2	Cash – other currencies	0	0	0	0	0	0	0	0
3	Domestic sovereign debt	0	0	0	0	0	0	0	0
4	Other sovereign debt	0	0	0	0	0	0	0	0
5	Government agency debt	0	0	0	0	0	0	0	0
6	Corporate bonds	0	0	0	0	0	0	0	0
7	Equity securities	0	0	0	0	0	0	0	0
8	Other collateral	0	0	0	0	0	0	0	0
9	<b>Total</b>	<b>0</b>	<b>26,787</b>	<b>0</b>	<b>6,927</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## 6.6 EXPOSURE VALUES BEFORE AND AFTER THE EFFECT OF THE CREDIT RISK MITIGATION, WHICHEVER METHOD IS APPLICABLE, AND THE ASSOCIATED RISK EXPOSURE AMOUNTS BROKEN DOWN BY APPLICABLE METHOD

(Article 439(f), (g) and (m) of the CRR)

The Group monitors exposure to counterparty credit risk for derivatives using the original exposure method in accordance with the provisions of Article 282 of the CRR (Section 5 of Chapter 6 of Part Three, Title II).

The template below shows relevant data at OTP Group Luxembourg level as at 31 December 2025. Exposures to central counterparties and credit valuation adjustment risks are not included in the table (they are shown separately in the document).

**Template 16: EU CCR1 – Analysis of CCR exposure by approach at OTP Group Luxembourg**

€000

	a	b	c	d	e	f	g	h
	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1 EU - Original Exposure Method (for derivatives)	5,518	17,147		1.4	31,744	31,744	31,744	20,891
EU-2 EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1 SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
2 IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a Of which securities financing transactions netting sets			-		-	-	-	-
2b Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c Of which from contractual cross-product netting sets			-		-	-	-	-
3 Financial collateral simple method (for SFTs)					-	-	-	-
4 Financial collateral comprehensive method (for SFTs)					-	-	-	-
5 VaR for SFTs					-	-	-	-
<b>6 Total</b>					<b>31,744</b>	<b>31,744</b>	<b>31,744</b>	<b>31,744</b>



## **6.7 ESTIMATE OF ALPHA WHERE THE INSTITUTION HAS RECEIVED THE PERMISSION OF THE COMPETENT AUTHORITIES TO USE ITS OWN ESTIMATE OF ALPHA**

*(Article 439(k) of the CRR)*

Because the Group does not use an internal model method to calculate exposure, this disclosure is not relevant.

## **6.8 EXPOSURE VALUES AFTER CREDIT RISK MITIGATION EFFECTS AND THE ASSOCIATED RISK EXPOSURES FOR CREDIT VALUATION ADJUSTMENT (CVA) CAPITAL CHARGE**

*(Article 439(h) of the CRR)*

Credit valuation adjustment (CVA) means the adjustment of the portfolio of transactions with a counterparty to valuation according to the mean market value. The aforementioned adjustment reflects the current market value of counterparty credit risk for an institution, but does not reflect the current market value of counterparty credit risk for the counterparty.

## **6.9 EXPOSURE TO CENTRAL COUNTERPARTIES**

*(Article 439(i) of the CRR)*

The Bank concludes certain transactions with the central counterparty LCH Limited. Since 1 January 2021 (i.e. following Brexit), LCH is treated as a third-country central counterparty and is approved by the ESMA. The Bank accesses the clearing house LCH via a clearing member and is not subject to mandatory clearing. The Bank performs clearing with LCH for interest rate swaps. In addition to the initial margin and exposure calculated in accordance with Article 282 of CRR, the Bank also has a floating margin of €38,359 thousand at LCH Limited.



## Template 17: EU CCR8 – Exposure to central counterparties at OTP Group Luxembourg

€000

		Exposure value	Risk-weighted assets
<b>1</b>	<b>Exposures to QCCPs (total)</b>		<b>12,174</b>
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	58,856	2,354
3	(i) OTC derivatives	58,856	2,354
4	(ii) Exchange-traded derivatives	0	0
5	(iii) SFTs	0	0
6	(iv) Netting sets where cross-product netting has been approved	0	0
7	Segregated initial margin	0	
8	Non-segregated initial margin	6,547	9,819
9	Prefunded default fund contributions	0	0
10	Unfunded default fund contributions	0	0
<b>11</b>	<b>Exposures to non-QCCPs (total)</b>		<b>0</b>
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	0	0
13	(i) OTC derivatives	0	0
14	(ii) Exchange-traded derivatives	0	0
15	(iii) SFTs	0	0
16	(iv) Netting sets where cross-product netting has been approved	0	0
17	Segregated initial margin	0	
18	Non-segregated initial margin	0	0
19	Prefunded default fund contributions	0	0
20	Unfunded default fund contributions	0	0

## 6.10 NOTIONAL AMOUNTS AND FAIR VALUE OF CREDIT DERIVATIVE TRANSACTIONS

*(Article 439(j) of the CRR)*

This disclosure is not relevant. OTP Group Luxembourg's portfolio does not include credit derivatives.



6.11 **VARIATIONS IN THE RISK-WEIGHTED EXPOSURE AMOUNTS OF THE CURRENT DISCLOSURE PERIOD COMPARED TO THE IMMEDIATELY PRECEDING DISCLOSURE PERIOD THAT RESULT FROM THE USE OF INTERNAL MODELS, INCLUDING AN OUTLINE OF THE KEY DRIVERS EXPLAINING THOSE VARIATIONS**

*(Article 438(h) of the CRR)*

Because the Group does not use an internal model method to calculate exposure, this disclosure is not relevant.

6.12 **DISCLOSURES INCLUDED IN POINT (E) OF ARTICLE 444 AND POINT (G) OF ARTICLE 452**

*(Article 439(l) of the CRR)*

The disclosures are presented in Sections 11.5 and 18.



## 7 COUNTERCYCLICAL CAPITAL BUFFERS

*(Article 440 of the CRR)*

This section defines the requirements to disclose information on the countercyclical capital buffer set out in Article 440 of Part Eight of the CRR, in Chapter 4 of Title VII of the CRD, and in the templates prescribed in Article 5 of Commission Implementing Regulation (EU) 2024/3117 and the corresponding implementing standards.

The aim of the countercyclical capital buffer is to protect the banking sector against losses that could arise as the result of cyclical economic risks. The value of the buffer may range from 0% to 2.5% of the total risk exposure amount, and depends on the level of risk in the system. Institutions must calculate their internal countercyclical capital buffer requirement themselves and meet it via the CET1 – Common Equity Tier 1 capital ratio (CET1 ratio).

### 7.1 GEOGRAPHICAL DISTRIBUTION OF THE EXPOSURE AMOUNTS AND RISK-WEIGHTED EXPOSURE AMOUNTS OF ITS CREDIT EXPOSURES USED AS A BASIS FOR THE CALCULATION OF THEIR COUNTERCYCLICAL CAPITAL BUFFER

*(Article 440(a) of the CRR)*

Template EU CCyB1 discloses credit exposures according to the Standardised Approach, calculated in accordance with Article 111 of the CRR, for the relevant credit exposures for credit risk set out in Article 140(4)(a) of the CRD and the relevant credit exposures for credit risk set out in Article 140(4)(b) of the CRD. Exposures based on a direct obligor are taken into account for the determination of geographical location in accordance with Commission Delegated Regulation (EU) No 1152/2014.

The institution-specific countercyclical capital buffer rate is calculated on the basis of the weighted average of countercyclical buffer rates that apply in countries in which the related credit exposures of the institution and the Group's exposure to customers from these countries are located.



**Template 18:** EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer at OTP Group Luxembourg  
€000

Breakdown by country:	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures – Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Andorra												0.00	0.00
United Arab Emirates	365					365	14			14	171	0.00	0.00
Afghanistan												0.00	0.00
Albania	43					43	4			4	45	0.00	0.50
Armenia												0.00	1.50
Argentina	0					0	0			0	0	0.00	0.00
Austria	62,286					62,286	4,299			4,299	53,737	0.81	0.00
Australia	203					203	16			16	205	0.00	1.00
Azerbaijan	1					1	0			0	1	0.00	0.00
Bosnia and Herzegovina	1,891					1,891	169			169	2,119	0.03	0.00
Bangladesh	37					37	3			3	41	0.00	0.00
Belgium	18,727					18,727	1,353			1,353	16,910	0.26	1.00
Burkina Faso	0					0	0			0	0	0.00	0.00
Bulgaria	27					27	2			2	21	0.00	2.00
Benin												0.00	0.00
Bermuda												0.00	0.00
Brazil	1,240					1,240	99			99	1,240	0.02	0.00
Belarus	2					2	0			0	2	0.00	0.00
Canada	135					135	8			8	94	0.00	0.00
Congo	0					0	0			0	0	0.00	0.00
Switzerland	1,889					1,889	61			61	759	0.01	0.00
Chile	0					0	0			0	0	0.00	0.50
Cameroon	1					1	0			0	1	0.00	0.00
China	185					185	15			15	187	0.00	0.00
Colombia	14					14	1			1	16	0.00	0.00
Costa Rica	0					0	0			0	0	0.00	0.00
Cyprus	240					240	14			14	180	0.00	1.00
Czech Republic	17,494					17,494	1,668			1,668	20,847	0.32	1.25
Germany	160,363					160,363	12,799			12,799	159,985	2.42	0.75
Denmark	19,317					19,317	2,198			2,198	27,477	0.42	2.50
Dominican Republic	2					2	0			0	3	0.00	0.00
Algeria	0					0	0			0	0	0.00	0.00
Ecuador												0.00	0.00
Estonia	14					14	1			1	14	0.00	1.50
Egypt	8					8	1			1	9	0.00	0.00
Spain	68,177					68,177	6,056			6,056	75,706	1.15	0.50
Ethiopia												0.00	0.00
Finland	4,562					4,562	157			157	1,965	0.03	0.00
France	64,816					64,816	4,748			4,748	59,351	0.90	1.00
United Kingdom	67,906					67,906	4,808			4,808	60,095	0.91	2.00
Georgia	3					3	0			0	4	0.00	1.00
Ghana	1					1	0			0	1	0.00	0.00
Gibraltar	0					0	0			0	0	0.00	0.00
Gambia	0					0	0			0	0	0.00	0.00



Breakdown by country:	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures – Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Country/cyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Greece	0					0	0			0	0	0.00	0.25
Guatemala												0.00	0.00
Hong Kong	0					0	0			0	0	0.00	0.50
Croatia	258,502					258,502	20,606			20,606	257,579	3.90	1.50
Hungary	340,345					340,345	6,242			6,242	78,025	1.18	1.00
Indonesia												0.00	0.00
Ireland	1					1	0			0	1	0.00	1.50
Israel	1					1	0			0	1	0.00	0.00
India	673					673	56			56	703	0.01	0.00
Iraq												0.00	0.00
Iran												0.00	0.00
Iceland												0.00	2.50
Italy	41,679					41,679	3,755			3,755	46,943	0.71	0.00
Jordan												0.00	0.00
Japan	884					884	71			71	884	0.01	0.00
Kenya	4					4	0			0	4	0.00	0.00
Kyrgyzstan	0					0	0			0	0	0.00	0.00
Republic of Korea	187					187	15			15	187	0.00	1.00
Kuwait												0.00	0.00
Kazakhstan	0					0	0			0	0	0.00	0.00
Lebanon	0					0	0			0	0	0.00	0.00
Liechtenstein												0.00	0.00
Sri Lanka	1					1	0			0	1	0.00	0.00
Lithuania												0.00	1.00
Luxembourg	86,851					86,851	7,929			7,929	99,116	1.50	0.50
Latvia	0					0	0			0	0	0.00	1.00
Libya	0					0	0			0	0	0.00	0.00
Morocco	26					26	2			2	29	0.00	0.00
Monaco	0					0	0			0	0	0.00	0.00
Moldova	2					2	0			0	3	0.00	0.00
Montenegro	164					164	12			12	151	0.00	0.50
North Macedonia	397					397	33			33	416	0.01	1.75
Mali												0.00	0.00
Malta	0					0	0			0	0	0.00	0.00
Mauritius												0.00	0.00
Mexico	1					1	0			0	1	0.00	0.00
Malaysia												0.00	0.00
Namibia	0					0	0			0	0	0.00	0.00
Nigeria	2					2	0			0	2	0.00	0.00
Netherlands	200,467					200,467	13,655			13,655	170,683	2.58	2.00
Norway	31,404					31,404	1,542			1,542	19,281	0.29	2.50
Nepal	106					106	9			9	119	0.00	0.00
New Zealand												0.00	0.00
Oman												0.00	0.00
Panama	0					0	0			0	0	0.00	0.00
Peru	0					0	0			0	0	0.00	0.00
Philippines	57					57	5			5	64	0.00	0.00
Pakistan	8					8	1			1	10	0.00	0.00



Breakdown by country:	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures – Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Poland	5,080					5,080	515			515	6,432	0.10	1.00
Palestine	0					0	0			0	0	0.00	0.00
Portugal	215					215	3			3	43	0.00	0.00
Paraguay	0					0	0			0	0	0.00	0.00
Qatar	57					57	5			5	64	0.00	0.00
Romania	569					569	30			30	377	0.01	1.00
Serbia	10,259					10,259	826			826	10,328	0.16	0.00
Russian Federation	95					95	4			4	50	0.00	0.50
Saudi Arabia												0.00	0.00
Sweden	11,148					11,148	602			602	7,528	0.11	2.00
Singapore												0.00	0.00
Slovenia	7,875,266		1,135			7,876,401	422,755	91		422,846	5,285,575	80.01	1.00
Slovakia	295					295	9			9	111	0.00	1.50
Senegal												0.00	0.00
Suriname												0.00	0.00
El Salvador												0.00	0.00
Syria												0.00	0.00
Thailand	3					3	0			0	4	0.00	0.00
Tajikistan	1					1	0			0	1	0.00	0.00
Turkmenistan												0.00	0.00
Tunisia	3					3	0			0	4	0.00	0.00
Turkey	475					475	23			23	293	0.00	0.00
Trinidad and Tobago												0.00	0.00
Taiwan												0.00	0.00
United Republic of Tanzania	0					0	0			0	0	0.00	0.00
Ukraine	37					37	3			3	42	0.00	0.00
Uganda	0					0	0			0	0	0.00	0.00
United States of America	143,217					143,217	11,132			11,132	139,144	2.11	0.00
Uzbekistan	2					2	0			0	2	0.00	0.00
Vatican City												0.00	0.00
Venezuela	0					0	0			0	0	0.00	0.00
Vietnam	1					1	0			0	1	0.00	0.00
Kosovo	495					495	30			30	379	0.01	2.00
South Africa	0					0	0			0	0	0.00	0.00
<b>Total</b>	<b>9,498,936</b>		<b>1,135</b>			<b>9,500,071</b>	<b>528,371</b>	<b>91</b>		<b>528,462</b>	<b>6,605,771</b>	<b>1.00</b>	



**Template 19: EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer at OTP Group Slovenia**  
 €000

Breakdown by country:	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures – Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Andorra												0.00	0.00
United Arab Emirates	365					365	14			14	171	0.00	0.00
Afghanistan												0.00	0.00
Albania	43					43	4			4	45	0.00	0.50
Armenia												0.00	1.50
Argentina	0					0	0			0	0	0.00	0.00
Austria	62,286					62,286	4,299			4,299	53,737	0.81	0.00
Australia	203					203	16			16	205	0.00	1.00
Azerbaijan	1					1	0			0	1	0.00	0.00
Bosnia and Herzegovina	1,891					1,891	169			169	2,119	0.03	0.00
Bangladesh	37					37	3			3	41	0.00	0.00
Belgium	18,727					18,727	1,353			1,353	16,910	0.26	1.00
Burkina Faso	0					0	0			0	0	0.00	0.00
Bulgaria	27					27	2			2	21	0.00	2.00
Benin												0.00	0.00
Bermuda												0.00	0.00
Brazil	1,240					1,240	99			99	1,240	0.02	0.00
Belarus	2					2	0			0	2	0.00	0.00
Canada	135					135	8			8	94	0.00	0.00
Congo	0					0	0			0	0	0.00	0.00
Switzerland	1,889					1,889	61			61	759	0.01	0.00
Chile	0					0	0			0	0	0.00	0.50
Cameroon	1					1	0			0	1	0.00	0.00
China	185					185	15			15	187	0.00	0.00
Colombia	14					14	1			1	16	0.00	0.00
Costa Rica	0					0	0			0	0	0.00	0.00
Cyprus	240					240	14			14	180	0.00	1.00
Czech Republic	17,494					17,494	1,668			1,668	20,847	0.32	1.25
Germany	160,363					160,363	12,799			12,799	159,985	2.42	0.75
Denmark	19,317					19,317	2,198			2,198	27,477	0.42	2.50
Dominican Republic	2					2	0			0	3	0.00	0.00
Algeria	0					0	0			0	0	0.00	0.00
Ecuador												0.00	0.00
Estonia	14					14	1			1	14	0.00	1.50
Egypt	8					8	1			1	9	0.00	0.00
Spain	68,177					68,177	6,056			6,056	75,706	1.15	0.50
Ethiopia												0.00	0.00
Finland	4,562					4,562	157			157	1,965	0.03	0.00
France	64,816					64,816	4,748			4,748	59,351	0.90	1.00
United Kingdom	67,906					67,906	4,808			4,808	60,095	0.91	2.00
Georgia	3					3	0			0	4	0.00	1.00



Breakdown by country:	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures – Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Ghana	1					1	0			0	1	0.00	0.00
Gibraltar	0					0	0			0	0	0.00	0.00
Gambia	0					0	0			0	0	0.00	0.00
Greece	0					0	0			0	0	0.00	0.25
Guatemala												0.00	0.00
Hong Kong	0					0	0			0	0	0.00	0.50
Croatia	258,502					258,502	20,606			20,606	257,579	3.90	1.50
Hungary	340,345					340,345	6,242			6,242	78,025	1.18	1.00
Indonesia												0.00	0.00
Ireland	1					1	0			0	1	0.00	1.50
Israel	1					1	0			0	1	0.00	0.00
India	673					673	56			56	703	0.01	0.00
Iraq												0.00	0.00
Iran												0.00	0.00
Iceland												0.00	2.50
Italy	41,679					41,679	3,755			3,755	46,943	0.71	0.00
Jordan												0.00	0.00
Japan	884					884	71			71	884	0.01	0.00
Kenya	4					4	0			0	4	0.00	0.00
Kyrgyzstan	0					0	0			0	0	0.00	0.00
Republic of Korea	187					187	15			15	187	0.00	1.00
Kuwait												0.00	0.00
Kazakhstan	0					0	0			0	0	0.00	0.00
Lebanon	0					0	0			0	0	0.00	0.00
Liechtenstein												0.00	0.00
Sri Lanka	1					1	0			0	1	0.00	0.00
Lithuania												0.00	1.00
Luxembourg	83,977					83,977	7,699			7,699	96,242	1.46	0.50
Latvia	0					0	0			0	0	0.00	1.00
Libya	0					0	0			0	0	0.00	0.00
Morocco	26					26	2			2	29	0.00	0.00
Monaco	0					0	0			0	0	0.00	0.00
Moldova	2					2	0			0	3	0.00	0.00
Montenegro	164					164	12			12	151	0.00	0.50
North Macedonia	397					397	33			33	416	0.01	1.75
Mali												0.00	0.00
Malta	0					0	0			0	0	0.00	0.00
Mauritius												0.00	0.00
Mexico	1					1	0			0	1	0.00	0.00
Malaysia												0.00	0.00
Namibia	0					0	0			0	0	0.00	0.00
Nigeria	2					2	0			0	2	0.00	0.00
Netherlands	200,467					200,467	13,655			13,655	170,683	2.58	2.00
Norway	31,404					31,404	1,542			1,542	19,281	0.29	2.50



Breakdown by country:	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures – Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Nepal	106					106	9			9	119	0.00	0.00
New Zealand												0.00	0.00
Oman												0.00	0.00
Panama	0					0	0			0	0	0.00	0.00
Peru	0					0	0			0	0	0.00	0.00
Philippines	57					57	5			5	64	0.00	0.00
Pakistan	8					8	1			1	10	0.00	0.00
Poland	5,080					5,080	515			515	6,432	0.10	1.00
Palestine	0					0	0			0	0	0.00	0.00
Portugal	215					215	3			3	43	0.00	0.00
Paraguay	0					0	0			0	0	0.00	0.00
Qatar	57					57	5			5	64	0.00	0.00
Romania	569					569	30			30	377	0.01	1.00
Serbia	10,259					10,259	826			826	10,328	0.16	0.00
Russian Federation	95					95	4			4	50	0.00	0.50
Saudi Arabia												0.00	0.00
Sweden	11,148					11,148	602			602	7,528	0.11	2.00
Singapore												0.00	0.00
Slovenia	7,882,465		1,135			7,883,600	423,331	91		423,422	5,292,774	80.07	1.00
Slovakia	295					295	9			9	111	0.00	1.50
Senegal												0.00	0.00
Suriname												0.00	0.00
El Salvador												0.00	0.00
Syria												0.00	0.00
Thailand	3					3	0			0	4	0.00	0.00
Tajikistan	1					1	0			0	1	0.00	0.00
Turkmenistan												0.00	0.00
Tunisia	3					3	0			0	4	0.00	0.00
Turkey	475					475	23			23	293	0.00	0.00
Trinidad and Tobago												0.00	0.00
Taiwan												0.00	0.00
United Republic of Tanzania	0					0	0			0	0	0.00	0.00
Ukraine	37					37	3			3	42	0.00	0.00
Uganda	0					0	0			0	0	0.00	0.00
United States of America	143,217					143,217	11,132			11,132	139,144	2.11	0.00
Uzbekistan	2					2	0			0	2	0.00	0.00
Vatican City												0.00	0.00
Venezuela	0					0	0			0	0	0.00	0.00
Vietnam	1					1	0			0	1	0.00	0.00
Kosovo	495					495	30			30	379	0.01	2.00
South Africa	0					0	0			0	0	0.00	0.00
<b>Total</b>	<b>9,503,260</b>		<b>1,135</b>			<b>9,504,395</b>	<b>528,717</b>	<b>91</b>		<b>528,808</b>	<b>6,610,095</b>	<b>1.00</b>	



## 7.2 AMOUNT OF INSTITUTION SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER

(Article 440(b) of the CRR)

Template EU CCyB2 illustrates the calculation of the amount of the institution specific countercyclical capital buffer of the Group as at 31 December 2025.

**Template 20:** EU CCyB2 – Amount of institution-specific countercyclical capital buffer at OTP Group Luxembourg and OTP Group Slovenia

€000

	a	a
	31/12/2025	
	OTP Group Luxembourg	OTP Group Slovenia
Total risk exposure amount	7,880,667	7,885,063
Institution-specific countercyclical capital buffer rate	1.01%	1.01%
Institution-specific countercyclical capital buffer requirement	79,595	79,639



## **8 INDICATORS OF GLOBAL SYSTEMIC IMPORTANCE**

*(Article 441 of the CRR)*

This disclosure is not relevant. OTP banka is not classed as a global systemically important bank.



## 9 EXPOSURE TO CREDIT RISK AND DILUTION RISK

### 9.1 GENERAL QUALITATIVE INFORMATION REGARDING CREDIT RISK

#### 9.1.1 DEFINITION OF "PAST DUE" AND "IMPAIRED" FOR ACCOUNTING PURPOSES

*(Article 442(a) of the CRR)*

The Group treats as past due all on- and off-balance-sheet assets where the counterparty has failed to settle its contractual obligations in a timely manner and in the contractually agreed amount.

Impaired items for accounting purposes are all on- and off-balance-sheet exposures to defaulters and non-defaulters for which the Group has created impairments or provisions.

The Group calculates impairments in accordance with IFRS 9, which requires accounting for expected credit losses (ECLs) from the initial recognition of financial instruments and the earlier recognition of expected losses for the entire lifetime of those instruments.

ECLs represent the probability-weighted assessment of credit losses over a specific period (12 months or the expected duration) of a financial instrument. Given that ECLs take into account the amount and timing of payments, credit losses also arise if the Bank expects to receive full payment but that payment is received later than set out in the associated contract. Financial instruments measured at amortised costs (AC) and those measured at fair value through other comprehensive income (FVOCI) are subject to the assessment of ECLs. Financial instruments measured at fair value through profit or loss (FVTPL) are not subject to impairment via the calculation of ECLs; rather fair value is assessed for them in accordance with the Methodology for Determining the Fair Value of Loans.

When calculating ECLs via the risk parameters PD, LGD, EAD and CCF, the Group takes the relevant macroeconomic variables into account, where possible.

#### 9.1.2 DESCRIPTION OF THE APPROACHES AND METHODS ADOPTED FOR DETERMINING SPECIFIC AND GENERAL CREDIT RISK ADJUSTMENTS

*(Article 442(b) of the CRR)*

General credit risk adjustments are not recognised under the IFRS. For this reason, the Group does not calculate or disclose such adjustments. The Group calculates and discloses specific credit risk adjustments, which are defined as adjustments to carrying value due to credit risk and relate to both on- and off-balance-sheet exposures.

The Group classifies financial instruments to the following categories:

- at amortised cost (AC) – when the objective of holding a financial asset is to receive contractual cash flows, and cash flows received are exclusively payments of principal and interest on the outstanding amount of principal;
- at fair value through other comprehensive income (FVOCI) – when the objective of holding a financial asset is to receive contractual cash flows and to sell financial assets, and cash flows received are exclusively payments of principal and interest on the outstanding amount of principal;
- at fair value through profit or loss; and
- purchased or originated credit-impaired (POCI) assets at the time of initial recognition.

The Group calculates impairments in accordance with IFRS 9, which requires accounting for expected credit losses (ECLs) from the initial recognition of financial instruments and the earlier recognition of expected losses for the entire lifetime of those instruments.

Financial instruments measured at amortised cost and at fair value through other comprehensive income are subject to the assessment of expected credit losses.

The Group classifies financial assets for which it assesses expected credit losses to the three groups set out in IFRS 9:



- Stage 1: exposures where there has not been a significant increase in credit risk in the period since initial recognition and risk is low;
- Stage 2 – exposures for which credit risk has increased significantly from the time of their initial recognition, and exposures from accounts receivables for which credit losses are calculated using a simplified approach. POCI exposures are classified in Stage 2 if the client holds a performing rating;
- Stage 3: exposures in default and exposures classified as POCI.

In accordance with IFRS 9 and guidelines on the management of credit risk and the calculation of expected credit losses, the Group takes into account forward-looking information (FLI) that it has identified as relevant for the assessment of expected credit losses based on reasonable judgement, generally accepted methods of economic analysis and forecasting, and that is supported by a sufficient set of data.

In risk parameter modelling, the Group uses past realised values of macroeconomic variables, as well as the latest macroeconomic forecasts across its macroeconomic scenarios.

When determining whether a particular asset has undergone a significant increase in credit risk (SICR) since initial recognition, in addition to taking account of regulatory criteria such as 30 days past due for a material amount per contract and 90 days past due for a material amount per client for corporate clients or per contract for retail clients, OTP Group Slovenia acts in accordance with its methodology for classifying clients into rating grades. When doing so, it takes account of any change in the official internal credit assessment of the client or the exposure, based on the through-the-cycle probability of default (TTC PD) and the relative change in remaining life-time PIT PD since its origination.

When classifying clients and individual exposures, the Group uses all available quantitative data from the analysis of financial statements and projections, making use of models and expert judgments based on clearly defined criteria, as well as qualitative or soft data relating to individual clients, the industry or market segment, and the general macroeconomic environment. On a systematic basis the Group includes forward-looking soft information from the perspective of the individual client that might affect creditworthiness and therefore potentially lead to the loss of cash flows. When monitoring credit risks, the Group also uses its early warning system (EWS) and related indicators.

The Group has developed its own models for calculating key measuring parameters for credit loss:

- exposure at default (EAD);
- probability of default (PD); and
- loss given default (LGD).

Expected credit losses (ECL) are calculated as the product of the expected probability of default. Loss given default and exposure at default represent a weighted estimate of credit losses over a given period of time based on the probabilities of individual macroeconomic scenarios.

For Stage 1 exposures, the Group estimates 12-month expected losses, while for exposures included in Stages 2 and 3, the Group estimates lifetime losses over the entire period of contractual obligations.

Exposures in Stage 3, where total exposure to an individual customer or to a narrow group of related parties exceeds €300 thousand, are impaired individually based on an assessment of sustainability of the business plan and the Group's strategy to the respective customer and expected cash flows both from operations and from liquidation of collateral. For other Stage 3 exposures, the Group uses a portfolio-based automated calculation of expected credit losses.

Through-the-cycle (TTC) PD is used to classify clients to rating grades. TTC PD represents the average probability of default for a customer during a period of 12 months over the entire economic cycle and is stable over time, as it is not affected by current macroeconomic conditions. That probability serves as the basis for determining a client's internal credit rating. The Group has developed a separate model for the international lending (IL) segment.

Calculation of expected credit losses is based on point-in-time (PIT) probability of default, based on assigned credit grades using the TTC PD.

When calculating PIT PD, the Group takes into account all relevant available information about the customer, i.e., financial and behavioural data that differ according to the type of customer. Current macroeconomic environment and expected changes in this environment are taken into account.



### 9.1.3 **NON-PERFORMING AND FORBORNE EXPOSURES**

*(Article 442(c) of the CRR)*

The Group defines as non-performing exposures (NPEs) such exposures for which it reasonably considers that the borrower will not be able to settle all its liabilities by the contractual deadline, or expects them not to be repaid without debt restructuring, collateral liquidation or the sale of receivables.

The Group classes exposures that satisfy any of the following criteria as NPEs:

- the exposure has the status of “defaulted” or is classified as Stage 3 in accordance with IFRS 9 and the Group’s Methodology for Assessing Expected Credit Losses;
- it meets the conditions referred to in Article 178 of Regulation (EU) No 575/2013 (CRR), including:
  - being more than 90 days past due on any material credit obligation,
  - being unlikely to pay;
- an exposure has been forbore, whereby the Group has recognised a material economic loss or assesses that an obligor’s liabilities will probably not be repaid – forbearance with a low probability of payment;
- the exposure has already been treated as non-performing and the exit criteria are not met; and
- the customer is in insolvency proceedings.

Since 2024, the Group has used a new definition of default for the retail segment that is determined at the level of the individual exposure. In the corporate segment, default is still defined at client level, which means that a single default event places all the client’s operations into default status.

In line with the definition of default in the Capital Requirements Regulation, the sum of all outstanding past-due liabilities of an individual obligor (for corporate clients) or the individual exposure (for retail clients) are classed as a material past-due obligation by the Group by no later than the time that it exceeds 1% of the exposure to the obligor in question and is greater than €100 or €500 depending on the calculated exposure class. The Group applies the definition of default implemented in November 2020 for all companies in the Group, which is in line with EBA/RTS guidelines under Article 178 of Regulation (EU) No 575/2013 (Capital Requirements Regulation or CRR).

Restoration to non-performing status after the completion of forbearance occurs when during the two-year probationary period the obligor is 30 days in arrears in respect of any exposure, or if forbearance is repeated.

The Group has precisely defined criteria for clients and exposures in default, which are used to assess whether the client has seen a decline in risk and the default status can be removed. When a client or an individual exposure returns to a performing credit rating, the exposures are reclassified to IFRS 9 Stage 2 during the observation period.

When the reasons that resulted in a significant increase in the credit risk associated with the specific financial asset of a performing obligor no longer exist and the Group has sound reason to believe that there will not be another significant increase in the credit risk associated with such exposures over the short term, that financial asset is reclassified from Stage 2 to Stage 1, and expected credit losses are recalculated for a 12-month period.

The portfolios of clients that have default status and are classified into a default credit rating are managed by the workout department, and, where necessary, the legal department.

## 9.2 **GENERAL QUANTITATIVE INFORMATION ABOUT CREDIT RISK**

This section defines the requirements set out in Article 442(c) of Part Eight of the CRR and implementing technical standards with regard to the public disclosure of the information referred to in Part Eight of Regulation (EU) No 575/2013.

The definition of exposure classes is in line with the definition of exposure classes in accordance with Article 112 of the CRR – Standardised Approach.



## 9.2.1 **PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS**

*(Articles 442(c) and 442(f) of the CRR)*



**Template 21: EU CR1 - Performing and non-performing exposures and related provisions for OTP Group Luxembourg**

€000

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
<b>005</b>	<b>Cash balances at central banks and other demand deposits</b>	<b>1,280,791</b>	<b>1,280,791</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-23</b>	<b>-23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>010</b>	<b>Loans and advances</b>	<b>8,041,500</b>	<b>7,349,931</b>	<b>691,570</b>	<b>251,172</b>	<b>0</b>	<b>251,172</b>	<b>-33,339</b>	<b>-10,236</b>	<b>-23,103</b>	<b>-116,898</b>	<b>0</b>	<b>-116,898</b>	<b>-4,951</b>	<b>3,571,823</b>	<b>46,462</b>
020	Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
030	General governments	137,421	135,158	2,263	1	0	1	-383	-271	-112	-1	0	-1	0	23,688	0
040	Credit institutions	519,200	519,199	2	0	0	0	-31	-31	0	0	0	0	0	0	0
050	Other financial corporations	448,158	448,106	52	1,346	0	1,346	-1,883	-1,880	-3	202	0	202	0	5,636	0
060	Non-financial corporations	2,817,002	2,440,636	376,366	183,783	0	183,783	-16,011	-5,112	-10,898	-73,912	0	-73,912	-3,479	1,122,754	33,654
070	Of which SMEs	1,457,134	1,225,350	231,784	46,388	0	46,388	-5,962	-2,235	-3,726	-24,266	0	-24,266	-1,160	751,615	15,915
080	Households	4,119,719	3,806,831	312,887	66,042	0	66,042	-15,031	-2,941	-12,090	-43,187	0	-43,187	-1,472	2,419,745	12,808



**DISCLOSURES OF OTP GROUP LUXEMBOURG**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
<b>090 Debt securities</b>	<b>5,424,889</b>	<b>5,422,125</b>	<b>2,764</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,039</b>	<b>-3,029</b>	<b>-10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34,051</b>	<b>0</b>
100 Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
110 General governments	3,954,948	3,954,948	0	0	0	0	-2,112	-2,112	0	0	0	0	0	0	0
120 Credit institutions	1,158,923	1,156,159	2,764	0	0	0	-631	-621	-10	0	0	0	0	19,989	0
130 Other financial corporations	174,437	174,437	0	0	0	0	-178	-178	0	0	0	0	0	10,094	0
140 Non-financial corporations	136,580	136,580	0	0	0	0	-118	-118	0	0	0	0	0	3,968	0
<b>150 Off-balance-sheet exposures</b>	<b>3,485,774</b>	<b>3,301,670</b>	<b>184,104</b>	<b>9,678</b>	<b>0</b>	<b>9,678</b>	<b>2,705</b>	<b>1,761</b>	<b>944</b>	<b>7,288</b>	<b>0</b>	<b>7,288</b>	<b>258,710</b>	<b>1,809</b>	
160 Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
170 General governments	6,406	6,264	142	0	0	0	7	6	1	0	0	0	0	106	0
180 Credit institutions	18,011	17,061	950	0	0	0	3	3	0	0	0	0	0	0	0
190 Other financial corporations	82,444	82,435	9	0	0	0	61	61	0	0	0	0	0	1,605	0



**DISCLOSURES OF OTP GROUP LUXEMBOURG**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3					
200	<i>Non-financial corporations</i>	2,774,296	2,635,167	139,129	9,117	0	9,117	2,006	1,386	620	6,923	0	6,923		249,645	1,809
210	<i>Households</i>	604,616	560,743	43,874	561	0	561	629	306	322	365	0	365		7,355	0
<b>220</b>	<b>Total</b>	<b>18,232,954</b>	<b>17,354,517</b>	<b>878,437</b>	<b>260,850</b>	<b>0</b>	<b>260,850</b>	<b>-39,083</b>	<b>-15,026</b>	<b>-24,057</b>	<b>-124,186</b>	<b>0</b>	<b>-124,186</b>	<b>-4,951</b>	<b>3,864,584</b>	<b>48,271</b>

POCI assets are taken into account between categories.



**Template 22: EU CR1 – Performing and non-performing exposures and related provisions for OTP Group Slovenia**

€000

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
<b>005</b>	<b>Cash balances at central banks and other demand deposits</b>	<b>1,280,326</b>	<b>1,280,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-23</b>	<b>-23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>010</b>	<b>Loans and advances</b>	<b>8,041,516</b>	<b>7,349,946</b>	<b>691,570</b>	<b>251,172</b>	<b>0</b>	<b>251,172</b>	<b>-33,339</b>	<b>-10,236</b>	<b>-23,103</b>	<b>-116,898</b>	<b>0</b>	<b>-116,898</b>	<b>-4,951</b>	<b>3,571,823</b>	<b>46,462</b>
020	Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
030	General governments	137,421	135,158	2,263	1	0	1	-383	-271	-112	-1	0	-1	0	23,688	0
040	Credit institutions	519,216	519,215	2	0	0	0	-31	-31	0	0	0	0	0	0	0
050	Other financial corporations	448,158	448,106	52	1,346	0	1,346	-1,883	-1,880	-3	202	0	202	0	5,636	0
060	Non-financial corporations	2,817,002	2,440,636	376,366	183,783	0	183,783	-16,011	-5,112	-10,898	-73,912	0	-73,912	-3,479	1,122,754	33,654
070	Of which SMEs	1,457,134	1,225,350	231,784	46,388	0	46,388	-5,962	-2,235	-3,726	-24,266	0	-24,266	-1,160	751,615	15,915



**DISCLOSURES OF OTP GROUP LUXEMBOURG**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
080 Households	4,119,719	3,806,831	312,887	66,042	0	66,042	-15,031	-2,941	-12,090	-43,187	0	-43,187	-1,472	2,419,745	12,808
<b>090 Debt securities</b>	<b>5,424,889</b>	<b>5,422,125</b>	<b>2,764</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,039</b>	<b>-3,029</b>	<b>-10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34,051</b>	<b>0</b>
100 Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
110 General governments	3,954,948	3,954,948	0	0	0	0	-2,112	-2,112	0	0	0	0	0	0	0
120 Credit institutions	1,158,923	1,156,159	2,764	0	0	0	-631	-621	-10	0	0	0	0	19,989	0
130 Other financial corporations	174,437	174,437	0	0	0	0	-178	-178	0	0	0	0	0	10,094	0
140 Non-financial corporations	136,580	136,580	0	0	0	0	-118	-118	0	0	0	0	0	3,968	0
<b>150 Off-balance-sheet exposures</b>	<b>3,485,774</b>	<b>3,301,670</b>	<b>184,104</b>	<b>9,678</b>	<b>0</b>	<b>9,678</b>	<b>2,705</b>	<b>1,761</b>	<b>944</b>	<b>7,288</b>	<b>0</b>	<b>7,288</b>	<b>0</b>	<b>258,710</b>	<b>1,809</b>
160 Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
170 General governments	6,406	6,264	142	0	0	0	7	6	1	0	0	0	0	106	0
180 Credit institutions	18,011	17,061	950	0	0	0	3	3	0	0	0	0	0	0	0



**DISCLOSURES OF OTP GROUP LUXEMBOURG**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
190	<i>Other financial corporations</i>	82,444	82,435	9	0	0	0	61	61	0	0	0	0	0	1,605	0
200	<i>Non-financial corporations</i>	2,774,296	2,635,167	139,129	9,117	0	9,117	2,006	1,386	620	6,923	0	6,923	0	249,645	1,809
210	<i>Households</i>	604,616	560,743	430,874	561	0	561	629	306	322	365	0	365	0	7,355	0
<b>220</b>	<b>Total</b>	<b>18,232,505</b>	<b>17,354,067</b>	<b>878,437</b>	<b>260,850</b>	<b>0</b>	<b>260,850</b>	<b>-39,083</b>	<b>-15,026</b>	<b>-24,057</b>	<b>-124,186</b>	<b>0</b>	<b>-124,186</b>	<b>-4,951</b>	<b>3,864,584</b>	<b>48,271</b>

POCI assets are taken into account between categories.



The figures for non-performing exposures relate to OTP Group Slovenia undertakings, as OTP Luxembourg does not hold any non-performing or forbore exposures because it does not undertake any commercial activities. In OTP Group Slovenia, the amount of non-performing exposures rose from €179.1 million to €260.8 million in 2025. Between 1 January and 31 December 2025, the Group continued its workout of clients' non-performing exposures on the basis of collateral liquidation via ordinary procedures and extra-judicial settlement, and through the restructuring of loans.

## 9.2.2 MATURITY OF EXPOSURES

*(Article 442(g) of the CRR)*

As at 31 December 2025, the Group discloses its largest net exposure in the residual maturity bucket of over five years (at 47.20% of the total), followed by the maturity bucket of one to five years (at 34.63%). The maturity bucket of up to one year accounts for 17.66%, and the demand bucket accounts for 0.52%.

### Template 23: EU CR1-A – Maturity of exposures for OTP Group Luxembourg

€000

		a	b	c	d	e	f
		Net exposure value					Total
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	
1	Loans and advances	69,755	1,582,338	2,334,582	4,155,761	0	8,142,436
2	Debt securities	0	808,826	2,355,766	2,236,155	0	5,400,747
<b>3</b>	<b>Total</b>	<b>69,755</b>	<b>2,391,164</b>	<b>4,690,348</b>	<b>6,391,916</b>	<b>0</b>	<b>13,543,183</b>

### Template 24: EU CR1-A – Maturity of exposures for OTP Group Slovenia

€000

		a	b	c	d	e	f
		Net exposure value					Total
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	
1	Loans and advances	69,771	1,582,338	2,334,582	4,155,761	0	8,142,452
2	Debt securities	0	808,826	2,355,766	2,236,155	0	5,400,747
<b>3</b>	<b>Total</b>	<b>69,771</b>	<b>2,391,164</b>	<b>4,690,348</b>	<b>6,391,916</b>	<b>0</b>	<b>13,543,199</b>



### 9.2.3 CHANGES IN THE STOCK OF NON-PERFORMING LOANS AND ADVANCES

(Article 442(f) of the CRR)

The amount of non-performing exposure at the OTP Group level increased by €81 million in 2025; however, due to intensive collection activities of unsettled liabilities, the restructuring of larger exposures and the resulting transfer of part of the claims back to performing status, a renewed decrease in NPLs is expected in the coming years.

**Template 25:** EU CR2 – Changes in the stock of non-performing loans and advances for OTP Group Luxembourg and OTP Group Slovenia

€000

		a
		Gross carrying amount
<b>010</b>	<b>Initial stock of non-performing loans and advances</b>	169,648
020	Inflows to non-performing portfolios	160,720
030	Outflows from non-performing portfolios	-79,196
040	Outflows due to write-offs	-31,036
050	Outflow due to other situations	-48,160
<b>060</b>	<b>Final stock of non-performing loans and advances</b>	251,172



**9.2.4 CREDIT QUALITY OF FORBORNE EXPOSURES**

*(Article 442(c) of the CRR)*

The table below presents the disclosures at the level of OTP Group Luxembourg, where there is no difference between the forbore exposures of that OTP Group Luxembourg and those of OTP Group Slovenia. The total amount of forbore exposures was €145.9 million as at 31 December 2025.

**Template 26:** EU CQ1 – Credit quality of forbore exposures for OTP Group Luxembourg and OTP Group Slovenia

€000

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
		Performing forbore	Non-performing forbore		On performing forbore exposures	On non-performing forbore exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures		
			Of which defaulted	Of which impaired					
<b>005</b>	<b>Cash balances at central banks and other demand deposits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>010</b>	<b>Loans and advances</b>	<b>29,452</b>	<b>115,881</b>	<b>115,881</b>	<b>115,881</b>	<b>-1,261</b>	<b>-42,777</b>	<b>30,996</b>	<b>16,788</b>
020	Central banks	0	0	0	0	0	0	0	0
030	General governments	0	0	0	0	0	0	0	0



**DISCLOSURES OF OTP GROUP LUXEMBOURG**

	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
	Performing forbore	Non-performing forbore		Of which impaired	On performing forbore exposures	On non-performing forbore exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
		Of which defaulted						
040	<i>Credit institutions</i>	0	0	0	0	0	0	0
050	<i>Other financial corporations</i>	0	0	0	0	0	0	0
060	<i>Non-financial corporations</i>	24,575	109,522	109,522	109,522	-983	-37,822	26,868
070	<i>Households</i>	4,876	6,359	6,359	6,359	-279	-4,955	4,129
<b>080</b>	<b>Debt securities</b>	0	0	0	0	0	0	0
<b>090</b>	<b>Loan commitments given</b>	324	306	306	306	4	70	140
<b>100</b>	<b>Total</b>	<b>29,776</b>	<b>116,187</b>	<b>116,187</b>	<b>116,187</b>	<b>-1,265</b>	<b>-42,847</b>	<b>31,137</b>



## 9.2.5 CREDIT QUALITY OF PERFORMING AND NON-PERFORMING EXPOSURES BY PAST DUE DAYS

(Article 442(c) and (d) of the CRR)

**Template 27:** EU CQ3 – Credit quality of performing and non-performing exposures by past due days for OTP Group Luxembourg

€000

	a	b	c	d	e	f	g	h	i	j	k	l	
	Gross carrying amount/nominal amount												
	Performing exposures			Non-performing exposures									
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted	
<b>005</b>	<b>Cash balances at central banks and other demand deposits</b>	<b>1,280,791</b>	<b>1,280,791</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>010</b>	<b>Loans and advances</b>	<b>8,041,500</b>	<b>8,039,396</b>	<b>2,105</b>	<b>251,172</b>	<b>170,770</b>	<b>8,126</b>	<b>11,482</b>	<b>34,064</b>	<b>18,353</b>	<b>1,932</b>	<b>6,446</b>	<b>251,172</b>
020	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
030	General Governments	137,421	137,421	1	1	0	0	0	1	0	0	0	1
040	Credit institutions	519,200	519,200	0	0	0	0	0	0	0	0	0	0
050	Other financial corporations	448,158	448,158	0	1,346	1,345	0	0	0	1	0	0	1,346
060	Non-financial corporations	2,817,002	2,815,706	1,296	183,783	135,083	4,501	6,399	26,474	8,849	451	2,026	183,783
070	<i>Of which SMEs</i>	1,457,134	1,455,838	1,296	46,388	17,296	3,461	5,393	9,646	8,844	379	1,370	46,388
080	Households	4,119,719	4,118,911	808	66,042	34,341	3,625	5,083	7,589	9,503	1,481	4,420	66,042
<b>090</b>	<b>Debt securities</b>	<b>5,424,889</b>	<b>5,424,889</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
100	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
110	General Governments	3,954,948	3,954,948	0	0	0	0	0	0	0	0	0	0
120	Credit institutions	1,158,923	1,158,923	0	0	0	0	0	0	0	0	0	0



	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
130	<i>Other financial corporations</i>	174,437	174,437	0	0	0	0	0	0	0	0	0
140	<i>Non-financial corporations</i>	136,580	136,580	0	0	0	0	0	0	0	0	0
<b>150</b>	<b>Off-balance-sheet exposures</b>	<b>3,485,774</b>	<b>0</b>	<b>0</b>	<b>9,678</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,678</b>
160	<i>Central banks</i>	0	0	0	0	0	0	0	0	0	0	0
170	<i>General governments</i>	6,406	0	0	0	0	0	0	0	0	0	0
180	<i>Credit institutions</i>	18,011	0	0	0	0	0	0	0	0	0	0
190	<i>Other financial corporations</i>	82,444	0	0	0	0	0	0	0	0	0	0
200	<i>Non-financial corporations</i>	2,774,296	0	0	9,117	0	0	0	0	0	0	9,117
210	<i>Households</i>	604,616	0	0	561	0	0	0	0	0	0	561
<b>220</b>	<b>Total</b>	<b>18,232,954</b>	<b>14,745,076</b>	<b>2,105</b>	<b>260,850</b>	<b>170,770</b>	<b>8,126</b>	<b>11,482</b>	<b>34,064</b>	<b>18,353</b>	<b>1,932</b>	<b>260,850</b>



**Template 28:** EU CQ3 – Credit quality of performing and non-performing exposures by past due days for OTP Group Slovenia  
€000

	a	b	c	d	e	f	g	h	i	j	k	l	
	Gross carrying amount/nominal amount												
	Performing exposures			Non-performing exposures									
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted	
<b>005</b>	<b>Cash balances at central banks and other demand deposits</b>	<b>1,280,326</b>	<b>1,280,326</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>010</b>	<b>Loans and advances</b>	<b>8,041,516</b>	<b>8,039,411</b>	<b>2,105</b>	<b>251,172</b>	<b>170,770</b>	<b>8,126</b>	<b>11,482</b>	<b>34,064</b>	<b>18,353</b>	<b>1,932</b>	<b>6,446</b>	<b>251,172</b>
020	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
030	General governments	137,421	137,421	1	1	0	0	0	1	0	0	0	1
040	Credit institutions	519,216	519,216	0	0	0	0	0	0	0	0	0	0
050	Other financial corporations	448,158	448,158	0	1,346	1,345	0	0	0	1	0	0	1,346
060	Non-financial corporations	2,817,002	2,815,706	1,296	183,783	135,083	4,501	6,399	26,474	8,849	451	2,026	183,783
070	Of which SMEs	1,457,134	1,455,838	1,296	46,388	17,296	3,461	5,393	9,646	8,844	379	1,370	46,388
080	Households	4,119,719	4,118,911	808	66,042	34,341	3,625	5,083	7,589	9,503	1,481	4,420	66,042
<b>090</b>	<b>Debt securities</b>	<b>5,424,889</b>	<b>5,424,889</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
100	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
110	General governments	3,954,948	3,954,948	0	0	0	0	0	0	0	0	0	0
120	Credit institutions	1,158,923	1,158,923	0	0	0	0	0	0	0	0	0	0



**DISCLOSURES OF OTP GROUP LUXEMBOURG**

	a	b	c	d	e	f	g	h	i	j	k	l	
	Gross carrying amount/nominal amount												
	Performing exposures			Non-performing exposures									
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted	
130	Other financial corporations	174,437	174,437	0	0	0	0	0	0	0	0	0	
140	Non-financial corporations	136,580	136,580	0	0	0	0	0	0	0	0	0	
<b>150</b>	<b>Off-balance-sheet exposures</b>	<b>3,485,774</b>	<b>0</b>	<b>0</b>	<b>9,678</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,678</b>	
160	Central banks	0	0	0	0	0	0	0	0	0	0	0	
170	General governments	6,406	0	0	0	0	0	0	0	0	0	0	
180	Credit institutions	18,011	0	0	0	0	0	0	0	0	0	0	
190	Other financial corporations	82,444	0	0	0	0	0	0	0	0	0	0	
200	Non-financial corporations	2,774,296	0	0	9,117	0	0	0	0	0	0	9,117	
210	Households	604,616	0	0	561	0	0	0	0	0	0	561	
<b>220</b>	<b>Total</b>	<b>18,232,505</b>	<b>14,744,626</b>	<b>2,105</b>	<b>260,850</b>	<b>170,770</b>	<b>8,126</b>	<b>11,482</b>	<b>34,064</b>	<b>18,353</b>	<b>1,932</b>	<b>6,446</b>	<b>260,850</b>



## 9.2.6 QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY

(Articles 442(c) and 442(e) of the CRR)

The Group discloses its five largest exposures by individual country for on-balance-sheet and off-balance-sheet exposures at OTP Group Luxembourg and OTP Group Slovenia in the table below. Other exposures are aggregated under "other countries". Given that the NPL ratio does not exceed 5% as at 31 December 2025, the Group makes no disclosure under columns b and d. Exposure in Slovenia accounts for 67.77% of the total at OTP Group Luxembourg and OTP Group Slovenia.

**Template 29:** EU CQ4 – Quality of non-performing exposures by geography for OTP Group Luxembourg

€000

	a	b	c	d	e	f	g
	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Of which non-performing		Of which subject to impairment				
			Of which defaulted				
<b>010</b>	<b>On-balance-sheet exposures</b>	<b>14,998,353</b>	<b>251,172</b>		<b>-153,299</b>		
020	SI	9,101,710	246,033		-137,287		
030	HU	796,410	2		-647		
040	FR	541,934	3		-472		
050	DE	450,684	2,597		-4,607		
060	ES	435,744	16		-780		
070	Other countries	3,671,871	2,521		-9,506		
<b>080</b>	<b>Off-balance-sheet exposures</b>	<b>3,495,451</b>	<b>9,678</b>			<b>9,993</b>	
090	SI	3,431,325	9,673			9,843	
100	NL	12,858	0			31	
110	US	12,041	0			33	
120	FR	5,058	0			13	
130	DE	4,526	0			1	
140	Other countries	29,643	5			72	
<b>150</b>	<b>Total</b>	<b>18,493,804</b>	<b>260,850</b>		<b>-153,299</b>	<b>9,993</b>	



Template 30: EU CQ4 – Quality of non-performing exposures by geography for OTP Group Slovenia

€000

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which subject to impairment				
			Of which defaulted					
<b>010</b>	<b>On-balance-sheet exposures</b>	<b>14,997,904</b>		<b>251,172</b>		<b>-153,299</b>		
020	SI	9,101,710		246,033		-137,287		
030	HU	796,410		2		-647		
040	FR	541,934		3		-472		
050	DE	450,684		2,597		-4,607		
060	ES	435,744		16		-780		
070	Other countries	3,671,422		2,521		-9,506		
<b>080</b>	<b>Off-balance-sheet exposures</b>	<b>3,495,451</b>		<b>9,678</b>			<b>9,993</b>	
090	SI	3,431,325		9,673			9,843	
100	NL	12,858		0			31	
110	US	12,041		0			33	
120	FR	5,058		0			13	
130	DE	4,526		0			1	
140	Other countries	29,643		5			72	
<b>150</b>	<b>Total</b>	<b>18,493,355</b>		<b>260,850</b>		<b>-153,299</b>	<b>9,993</b>	



## 9.2.7 CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY

(Articles 442(c) and 442(e) of the CRR)

The Group discloses its largest gross exposure as at 31 December 2025 to the manufacturing sector, i.e. 33.1% of the total. The NPL ratio does not exceed 5% at OTP Group Luxembourg or the OTP Group Slovenia, and therefore the Group makes no disclosure under columns b and d.

**Template 31:** EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry for OTP Group Luxembourg and OTP Group Slovenia

€000

	a	b	c	d	e	f
	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Of which non-performing		Of which loans and advances subject to impairment			
		Of which defaulted				
010 Agriculture, forestry and fishing	17,547		1,653		-1,424	0
020 Mining and quarrying	13,360		0		-21	0
030 Manufacturing	992,521		135,195		-49,738	0
040 Electricity, gas, steam and air-conditioning supply	81,844		1		-139	0
050 Water supply	47,220		33		-92	0
060 Construction	274,376		4,763		-3,939	0
070 Trade	559,126		9,275		-10,026	0
080 Transportation and storage	206,854		4,204		-2,422	0
090 Catering	89,647		1,623		-1,577	0
100 IT and communication	79,848		513		-586	0
110 Financial and insurance sectors	35,595		322		-464	0
120 Real estate activities	161,346		1,183		-1,270	0
130 Professional, scientific and technical activities	306,349		24,239		-15,654	0
140 Administrative and support service activities	50,094		416		-1,328	0
150 Public administration and defense, compulsory social security	1		0		0	0



	a	b	c	d	e	f
	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Of which non-performing		Of which loans and advances subject to impairment			
		Of which defaulted				
160 Education	5,372		56		-109	0
170 Health and social work	32,382		86		-720	0
180 Arts, entertainment and recreation	42,046		172		-296	0
190 Other services	5,257		49		-117	0
<b>200 Total</b>	<b>3,000,785</b>		<b>183,783</b>		<b>-89,922</b>	<b>0</b>



## 9.2.8 COLLATERAL OBTAINED BY TAKING POSSESSION AND EXECUTION PROCESSES

*(Article 442(c) of the CRR)*

**Template 32:** EU CQ7 – Collateral obtained by taking possession and execution processes for OTP Group Luxembourg and OTP Group Slovenia

€000

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
<b>010</b>	<b>Property, plant and equipment (PP&amp;E)</b>	<b>0</b>	<b>0</b>
<b>020</b>	<b>Other than PP&amp;E</b>	<b>127</b>	<b>0</b>
030	<i>Residential real estate</i>	80	0
040	<i>Commercial immovable property</i>	0	0
050	<i>Movable property (auto, shipping, etc.)</i>	47	0
060	<i>Equity and debt instruments</i>	0	0
070	<i>Other collateral</i>	0	0
<b>080</b>	<b>Total</b>	<b>127</b>	<b>0</b>



## 10 **ENCUMBERED AND UNENCUMBERED ASSETS**

This section defines the disclosure requirements set out in Article 443 of Part Eight of the CRR and Commission Implementing Regulation (EU) 2021/637.

**Template 33: EU AE4**

The Group pledges assets as collateral for counterparty claims from derivatives, for providing liquid assets to the bank resolution fund (in accordance with the provisions of the Resolution and Compulsory Winding-Up of Banks Act), for ensuring obligatory reserves on its cash account at the Bank of Slovenia, and for collateral paid into clearing systems (SEPA DD).



## Template 34: EU AE1 – Encumbered and unencumbered assets

€000

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		010	of which notionally eligible EHQLA and HQLA	040	of which notionally eligible EHQLA and HQLA	060	of which EHQLA and HQLA	090	of which EHQLA and HQLA
			030		050		080		100
<b>010</b>	<b>Assets of the disclosing institution</b>	<b>215,146</b>	<b>84,673</b>			<b>14,833,091</b>	<b>5,239,482</b>		
030	Equity instruments	0	0			82,952	0		
040	Debt securities issued	84,673	84,673	84,714	84,714	5,341,266	4,095,180	5,368,302	4,120,460
050	of which: covered bonds	0	0	0	0	356,021	32,915	357,662	34,468
060	of which: securitisations	0	0	0	0	0	0	0	0
070	of which: issued by general governments	84,673	84,673	84,714	84,714	3,852,235	3,825,215	3,874,550	3,846,884
080	of which: issued by financial corporations	0	0	0	0	1,357,783	183,847	1,360,806	185,790
090	of which: issued by non-financial corporations	0	0	0	0	148,703	105,471	148,851	105,561
120	Other assets	129,863	0	-	-	9,409,016	1,094,876	-	-



**Template 35: EU AE2 – Collateral received and own debt securities issued**

€000

		Unencumbered assets			
		Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued that may be encumbered	
		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA	
		010	030	040	060
130	Collateral received by the disclosing institution				
240	Own debt securities issued other than own covered bonds or securitisations				
241	Own covered bonds and securitisations issued and not yet pledged				
250	<b>TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED</b>	<b>215,146</b>	<b>84,673</b>		



**Template 36:** EU AE3 – Sources of encumbrance

€000

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	Carrying amount of selected financial liabilities	6,652	6,731



## 11 USE OF ECAIS

This section defines the disclosure requirements set out in Article 444 of Part Eight of the CRR and Section 4.9 of the Guidelines.

### 11.1 NAMES OF THE NOMINATED ECAIS AND ECAS AND THE REASONS FOR ANY CHANGES

*(Article 444(a) of the CRR)*

In 2025, the Bank did not change nominated external credit assessment institutions for the purpose of calculating own funds requirements. It nominated Moody's as an external credit assessment institution for the exposure classes set out in section 11.2.

### 11.2 EXPOSURE CLASSES FOR WHICH EACH ECAI OR ECA IS USED

*(Article 444(b) of the CRR)*

The Group calculates capital requirements for credit risk using the standardised approach. The parent bank of the Group nominated Moody's as an external credit assessment institution for the assignment of risk weights to the following exposure classes:

- exposures to central governments and central banks;
- exposures to regional governments or local authorities;
- exposures to public sector entities;
- exposures to institutions;
- exposures to corporates; and
- exposures in the form of investments in covered bonds.

### 11.3 DESCRIPTION OF THE PROCESS USED TO TRANSFER THE ISSUER AND ISSUE CREDIT ASSESSMENTS ONTO ITEMS NOT INCLUDED IN THE TRADING BOOK

*(Article 444(c) of the CRR)*

For exposure classes for which an ECAI has been nominated, risk weights are assigned depending on the long-term rating of the financial instrument or obligor, and the issuer of the financial instrument. When assigning risk weights to exposures, the Bank first takes the long-term external rating of the financial instrument or exposure. If the latter is not rated, the long-term external credit rating of the obligor is used. If the long-term external rating of the obligor is not available, the long-term sovereign rating of the country is used, or the risk weight for unrated exposures to the obligor assigned.



**11.4 ASSOCIATION OF THE EXTERNAL RATING OF EACH NOMINATED ECAI OR ECA WITH THE CREDIT QUALITY STEPS PRESCRIBED IN PART THREE, TITLE II, CHAPTER 2, TAKING INTO ACCOUNT THAT THIS INFORMATION NEEDS NOT BE DISCLOSED IF THE INSTITUTION COMPLIES WITH THE STANDARD ASSOCIATION PUBLISHED BY EBA**

*(Article 444(d) of the CRR)*

This disclosure is not relevant. The association complies with the standard association.

**11.5 EXPOSURE VALUES AND EXPOSURE VALUES AFTER CREDIT RISK MITIGATION ASSOCIATED WITH EACH CREDIT QUALITY STEP AS SET OUT IN CHAPTER 2 OF TITLE II OF PART THREE, BY EXPOSURE CLASS, AS WELL AS EXPOSURE VALUES DEDUCTED FROM OWN FUNDS**

*(Article 444(e) of the CRR)*

The net values of on-balance-sheet and off-balance-sheet exposures are allocated on the basis of the rules of the standardised approach.

The EU CR5 and EU CCR3 templates below disclose the allocation of exposure value after consideration of credit risk mitigation techniques and the corresponding conversion factors in the case of off-balance-sheet exposures across exposure classes and risk weights for OTP Group Luxembourg as at 31 December 2025.

There are four weights prevalent in the EU CR5 template: 0% in the central governments segment, 20% in the exposures secured by mortgages on immovable property segment, 75% in the retail exposures segment, and 100% in the corporates segment. There was a change in their ratio to the total exposure amount relative to the previous year: the share of exposures carrying a 0% weight fell from 36% to 28% and those carrying a 75% weight from 18% to 15%, while the share of exposures carrying a 20% weight increased from 0.6% to 17% and those carrying a 100% weight fell from 22% to 19%.

There are four weights prevalent in the EU CCR3 template: 4%, 20% and 50% in the institutions segment, and 100% in the corporates segment. There was a change in their ratio to the total exposure amount relative to the previous year: the share of exposures carrying a 4% weight rose from 0% to 66%, those carrying a 20% weight rose from 6% to 8% and those carrying a 50% weight rose from 83% to 88%. The share of exposures carrying a 100% weight fell from 19% to 17%.

**Template 37: EU CR5 – Standardised Approach for OTP Group Luxembourg**  
 €000

Exposure classes	Risk weight																									Total	Of which unrated
	0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%	90%	100%	105%	110%	130%	150%	250%	370%	400%	1250%	Others		
<b>1</b> Central governments or central banks	4,052,135	0	347,971	537,243	13	0	0	0	0	0	0	0	0	0	0	21,290	0	0	0	0	4,959	0	0	0	0	4,963,610	4,862,281
<b>2</b> Non-central government public sector entities	189,355	0	0	0	76,543	0	0	0	0	5,781	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	271,678	0
<b>2a</b> Regional governments or local authorities	189,113	0	0	0	61,402	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	250,515	249,913
<b>2b</b> Public sector entities	242	0	0	0	15,140	0	0	0	0	5,781	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21,162	21,162
<b>3</b> Multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>3a</b> International organisations	255,144	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	255,144	0
<b>4</b> Institutions	0	0	0	0	650,051	476,293	0	4,551	0	86,469	0	0	0	0	0	6,432	0	0	0	0	6,553	0	0	0	0	1,230,348	915,975
<b>5</b> Covered bonds	0	0	0	16,838	332,767	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	971	350,576	0
<b>6</b> Corporates	0	0	0	0	44,696	0	0	0	0	93,637	0	0	93,245	0	0	2,795,217	0	0	1,032	101,863	0	0	0	0	0	3,129,691	2,504,339
<b>6.1</b> of which: specialised lending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,032	0	0	0	0	0	0	1,032	1,032
<b>7</b> Subordinated debt exposures and equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31,354	0	0	0	88,504	0	0	0	0	0	119,858	0
<b>7a</b> Subordinated debt exposures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	88,504	0	0	0	0	0	88,504	0
<b>7b</b> Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31,354	0	0	0	0	0	0	0	0	0	31,354	0
<b>8</b> Retail exposures	0	0	0	0	0	0	375	0	165,041	0	0	0	2,119,061	0	0	1,372	0	0	0	0	0	0	0	0	0	2,285,850	0
<b>9</b> Exposures secured by mortgages on immovable property and ADC exposures	0	0	0	0	1,686,299	189	0	0	0	0	425,247	0	209,246	0	68,077	374,389	0	13,413	0	210,422	0	0	0	0	32,795	3,020,078	0



# DISCLOSURES OF OTP GROUP LUXEMBOURG

Exposure classes	Risk weight																								Total	Of which unrated	
	0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%	90%	100%	105%	110%	130%	150%	250%	370%	400%	1250%			Others
Secured by mortgages on residential immovable property - non-IPRE	0	0	0	0	1,686,299	0	0	0	0	0	0	0	201,828	0	0	13,852	0	0	0	0	0	0	0	0	0	1,901,980	
9.1 no loan splitting applied	0	0	0	0	0	0	0	0	0	0	0	0	35,170	0	0	10,312	0	0	0	0	0	0	0	0	0	45,482	
9.1.2 loan splitting applied (secured)	0	0	0	0	1,686,299	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,686,299	
9.1.3 loan splitting applied (unsecured)	0	0	0	0	0	0	0	0	0	0	0	0	166,658	0	0	3,541	0	0	0	0	0	0	0	0	0	170,199	
Secured by mortgages on residential immovable property - IPRE	0	0	0	0	0	189	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	189	
9.2 Secured by mortgages on commercial immovable property - non IPRE	0	0	0	0	0	0	0	0	0	0	425,247	0	7,418	0	0	360,536	0	0	0	0	0	0	0	0	0	793,201	
9.3.1 no loan splitting applied	0	0	0	0	0	0	0	0	0	0	0	0	5,547	0	0	186,190	0	0	0	0	0	0	0	0	0	191,737	
9.3.2 loan splitting applied (secured)	0	0	0	0	0	0	0	0	0	0	425,247	0	0	0	0	0	0	0	0	0	0	0	0	0	0	425,247	
9.3.3 loan splitting applied (unsecured)	0	0	0	0	0	0	0	0	0	0	0	0	1,871	0	0	174,346	0	0	0	0	0	0	0	0	0	176,217	
9.4 Secured by mortgages on commercial immovable property - IPRE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	68,077	0	0	13,413	0	63,631	0	0	0	0	32,795	177,916	
9.5 Acquisition, Development and Construction (ADC)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	146,791	0	0	0	0	0	146,791	
10 Exposures in default	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	84,395	0	0	0	47,704	0	0	0	0	0	132,099	
10a Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	



## DISCLOSURES OF OTP GROUP LUXEMBOURG

Exposure classes	Risk weight																								Total	Of which unrated		
	0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%	90%	100%	105%	110%	130%	150%	250%	370%	400%	1250%			Others	
<b>10b</b> Collective investment undertakings (CIU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	66,459	66,459	66,459
<b>10c</b> Other items	125,472	0	0	0	63,697	0	0	0	0	0	0	0	0	0	0	189,842	0	0	0	0	0	0	0	0	0	0	379,011	379,011
<b>11</b> not applicable																												
<b>11c</b> Total	4,622,105	0	347,971	554,080	2,854,066	476,483	375	4,551	165,041	185,887	425,247	0	2,421,551	0	68,077	3,504,292	0	13,413	1,032	455,046	4,959	0	0	0	100,226	16,204,402		



**Template 38:** EU CCR3 – Standardised Approach – CCR exposures by regulatory exposure class and risk weights for OTP Group Luxembourg

€000

Exposure classes	Risk weight											Total exposure value
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Other	
1 Central governments or central banks	0	0	0	0	0	0	0	0	0	0	0	0
2 Regional governments or local authorities	0	0	0	0	0	0	0	0	0	0	0	0
3 Public sector entities	0	0	0	0	0	328	0	0	0	0	0	328
4 Multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0
5 International organisations	0	0	0	0	0	0	0	0	0	0	0	0
6 Institutions	0	0	58,857	0	7,041	7,545	0	0	0	0	0	73,432
7 Corporates	0	0	0	0	0	0	0	0	15,314	0	0	15,314
8 Retail	0	0	0	0	0	0	0	0	0	0	0	0
9 Institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0	0	0	0	0
10 Other items	0	0	0	0	0	0	0	0	0	0	0	0
<b>11 Total exposure value</b>	<b>0</b>	<b>0</b>	<b>58,857</b>	<b>0</b>	<b>7,041</b>	<b>7,862</b>	<b>0</b>	<b>0</b>	<b>15,314</b>	<b>0</b>	<b>0</b>	<b>89,074</b>



## 12 EXPOSURE TO MARKET RISK UNDER THE STANDARDISED APPROACH

(Article 445 of the CRR)

This section defines the disclosure requirements set out in Article 445 of Part Eight of the CRR and Section 4.13 of the Guidelines.

The Group uses the standardised approach to calculate the own funds requirements for market risk. With the introduction of FRTB, the Group is expected to use the simplified standardised approach. Own funds requirements are calculated for the following in the scope of market risk:

- Interest rate risk (general). The Group calculates own funds requirements for derivatives (interest rate swaps) in the scope of interest rate risk.
- Equity risk (general and specific). The Group calculates own funds requirements for own funds instruments and derivatives on own funds instruments in the scope of equity risk. The Group also discloses own funds requirements for exposure to collective investment undertakings included in the trading book in the scope of equity risk.
- Foreign exchange risk. The Group calculates own funds requirements for the open foreign exchange position, which includes capital requirements for derivatives on foreign currencies, in the scope of foreign exchange risk.

The template below discloses risk-weighted exposure to market risk as at the reporting date of 31 December 2025.

### Template 39: EU MR1 – Market risk under the standardised approach at OTP Group Luxembourg

€000

		RWEA
		31/12/2025
<b>Outright products</b>		
1	Interest rate risk (general and specific)	1,135
2	Equities risk (general and specific)	0
3	Foreign exchange risk	0
4	Commodity risk	0
<b>Options</b>		
5	Simplified approach	0
6	Delta-plus approach	0
7	Scenario approach	0
8	Securitisation (specific risk)	0
9	<b>Total</b>	<b>1,135</b>



## 12.A DISCLOSURE OF CVA RISK

*(Article 445(a) of the CRR)*

Credit valuation adjustment risk is defined as the adjustment of the value of the portfolio of transactions with a counterparty to valuation according to the mean current value. This adjustment reflects the current market value of counterparty credit risk for an institution, but does not reflect the current market value of counterparty credit risk for the counterparty (Article 381 of the CRR).

The Group's exposure to credit valuation adjustment risk comes from the derivatives portfolio. The Bank manages that risk through daily monitoring, regular evaluation, arrangement of the necessary coverage and the limit system in place. The Bank has identified the credit valuation adjustment (CVA) risk as immaterial.

The Bank regularly reviews the threshold for determining the materiality of risk as defined in its internal documents. If the threshold were breached, the Bank would, if necessary, commence the development of an internal model for calculating the Pillar 2 own funds requirement. Until that time, the Pillar 2 own funds requirement for CVA risk is the same as the Pillar 1 own funds requirement. As the Bank meets all the conditions referred to in Article 273a(2) of the CRR, the Pillar 1 own funds requirement is calculated using the simplified approach (Article 385 of the CRR).

As the Bank meets all the threshold conditions referred to in Article 273a(2) of the CRR, the Pillar 1 own funds requirement is calculated using the simplified approach (Article 385 of the CRR). The Bank also checks the thresholds on a regular basis. As at 31 December 2025, the own funds requirement for the credit valuation adjustment risk was €179 thousand, or €2,238 thousand of exposure to risks at all reporting levels.

## 13 OPERATIONAL RISK MANAGEMENT

*(Article 446 of the CRR)*

There is no difference between operational risk management at OTP Group Luxembourg and OTP Group Slovenia.

The Group has a comprehensive and consistent risk management framework in place that enables risks to be identified, measured, monitored and controlled in a structured way and is integrated into the strategic and operational decision-making process. The risk management objectives are to ensure business stability and provide for an effective internal control system and the management of exposures within the bounds of the risk appetite as defined (RAS/RAF).

The risk management framework is based on a structured set of policies and methodologies, including the Risk Appetite Framework (RAF/RAS), the Operational Resilience Strategy, the Operational Risk Management Policy, the Operational Resilience Policy, the ICT Risk Management Policy, the Third-Party Risk Policy and the Internal Control System Policy.

Support rules (Operational Risk Event Management and Reporting Rulebook, Operational Risk Indicators Management Rulebook, Incident Management Rulebook) and methodologies (Operational Risk Self-Assessment Methodology, Internal Control System Management Methodology, ICT Risk Analysis Methodology, Third-Party Risk Management Methodology, Scenario Analysis Methodology) govern the management of operational risk events, key risk indicators (K)RIs and incidents, RCSA and the management of internal controls, ICT risks, third-party risks and scenario analyses. Together the policies, rules and methodologies ensure that a structured approach is taken to identifying and assessing risks, monitoring risks effectively, taking action in response, and reporting to the Operational Risk Committee and other management bodies.

The Group operates a three-lines-of-defence model that ensures that risk management roles and responsibilities are clear. The first line manages risks in everyday processes, the second determines the framework, policies and methodologies and monitors implementation, and the third line employs independent assessments to verify that the risk management system is performing as it should. Non-Financial Risk Management Sector addresses issues around the management of operational risk, operational resilience, information and physical security, and fraud prevention, and reports to the CRO.

The operational risk function is in charge of developing and implementing the operational risk management framework, the risk register, the RCSA, the KRIs, scenarios, the independent testing of controls, the handling of operational risk events, the risk profile, the calculation of the capital requirement and regular reporting. It also provides support to the areas of IT, operational resilience and



outsourcing. The operational resilience function maintains the resilience and business continuity framework, develops policies, conducts impact assessments, produces scenarios and crisis plans, handles incidents, coordinates critical functions and preparedness for disruptions, and provides support to reviews of third-party risks. The information and physical security function is in charge of the security framework, risk assessments, controls, measurements, indicators, SIEM and the audit trail, provides support to the development of security systems, cooperates with the police, and manages ICT security, technical protection, fire protection and civil protection. The fraud prevention function develops the fraud prevention strategy and policies, carries out fraud risk assessments, scenarios, controls, analyses and investigations, drafts reports on trends and risk profiles, and ensures that employees and customers are kept aware of the latest developments.

The Group treats operational risk as a material risk and monitors a wide set of sub-categories, including legal, compliance and cyber risk, data quality risk, fraud risk, outsourcing risk, project risk, ICT risk and other non-financial risks. Pillar 1 own funds requirements are calculated using the standardised approach and Pillar 2 capital requirements are calculated using internal models, which include data on loss events, non-financial and potential events, legal claims, RCSA results and risk indicator statuses.

The Group systematically collects information on events and estimates losses from operational risk using software support and conducts self-assessments as part of all processes. The model for calculating capital requirements from operational risk events also includes net losses from financial events, estimated losses from non-financial and potential events, and booked losses from legal claims or current provisions. The calculation of capital requirements includes also processes with high residual risk and indicators that exceed the thresholds. Calculations are reported monthly to the Management Board and Supervisory Board, and to the Operational Risk Committee on a quarterly basis.

The Group has a comprehensive framework in place for reporting on operational risk that ensures that information on the identification, measurement, monitoring and control of operational risks is provided on time and in a consistent and transparent manner. The reporting framework is a key component of the operational risk management system and supports the effective monitoring of decisions at all levels of governance of the Bank. The reporting framework covers the entire scope of the Bank's business, including all organisational units and processes, all operational risk categories as defined in the CRR, and all the various types of events that could occur (financial events, non-financial events, potential events and legal events, and ICT-related and operational incidents).

Reporting includes information on operational risk, including gross and net losses from operational risk events, the dates of occurrence, the date of reporting, the date of booking, event classifications and information on reimbursements, action taken and the persons responsible for implementation, the (key) risk indicators, the results of regular self-assessments of risks and controls (RCSA), the testing of internal controls, the results of scenario analyses and assessments of third-party providers. The information is included in the ICAAP calculations.

The Group provides regular structured reports on operational risk to the Bank's Management Board, the Operational Risk Committee, the Supervisory Board and regulatory authorities (including the Bank of Slovenia and the ECB). The regular reports contain information on losses from operational risks, analyses of the trends in and causes of loss events, the statuses of the (key) risk indicators, the results of internal control and RCSA assessments, the status of action taken and assessments of third-party providers. In the event of major operational risk incidents and operational risk events, the Group has an escalation reporting procedure that includes immediate notification of the Management Board, notification of the competent committees, and the provision of mandatory reports to regulators when certain thresholds are breached or when required by regulation. In the event of major ICT incidents, reporting takes place in accordance with the requirements of the Digital Operational Resilience Act (DORA). The Group regularly provides regulatory reports on losses from operational risk events (ITS reporting) and information on third-party providers, their sub-contractors and contracts (Rol reporting).

In its operational risk management procedures, the Group employs a comprehensive range of policies and strategies in compliance with the approved risk appetite. Reductions in operational risk are primarily achieved through internal risk management policies, the management of outsourcing processes and the management of internal controls. The policies set clear areas of responsibility within the three lines of defence and establish mechanisms for monitoring the compliance and effectiveness of the controls in place. Operational risk is mitigated by implementation of internal controls, which include the segregation of tasks, the management of accesses and authorisations, security mechanisms in the area of ICT and cybersecurity, process controls, and procedures for preventing errors, detecting deviations and escalating where necessary.

Risks connected with outsourcing are controlled through compulsory reviews of third-party performance, the prompt and ongoing monitoring of the quality-of-service provision, and regular assessments of the risks applying to service delivery and third-party providers. The management of outsourcing risk covers service quality risk, concentration risk and business continuity risk.



The Group also has insurance policies in place as a complementary risk transfer instrument. These policies cover selected categories of operational loss, such as loss events involving assets, and external and internal fraud. The Bank carries out an annual assessment of the adequacy and scope of its insurance cover with reference to its operational risk profile and exposure.

The other operational risks that remain after the implementation of all risk reduction mechanisms, including controls, improvements to processes, the management of services provided by external contractors and insurance, are measured, monitored and included in the internal capital adequacy assessment process (ICAAP) and are part of the assessment of the Group's capital requirements.

**Template 40: EU OR1 – Operational risk losses of OTP Group Luxembourg**

€000

		a	b	c	d	e	f	g	h	i	j	k
		T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Ten-year average
<b>Using €20,000 threshold</b>												
1	Total amount of operational risk losses net of recoveries (no exclusions)	2,392	2,300	4,894	7,748	2,164	1,808	2,251	4,196	10,487	6,496	4,474
2	Total number of operational risk losses	24	18	43	32	20	18	39	68	47	27	34
3	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
4	Total number of excluded operational risk events	0	0	0	0	0	0	0	0	0	0	0
5	Total amount of operational risk losses net of recoveries and net of excluded losses	2,392	2,300	4,894	7,748	2,164	1,808	2,251	4,196	10,487	6,496	4,474
<b>Using €100,000 threshold</b>												
6	Total amount of operational risk losses net of recoveries (no exclusions)	1,487	1,774	3,274	6,968	1,758	1,309	855	1,965	9,038	5,891	3,432
7	Total number of operational risk losses	7	5	8	14	7	4	3	10	10	10	8
8	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
9	Total number of excluded operational risk events	0	0	0	0	0	0	0	0	0	0	0
10	Total amount of operational risk losses net of recoveries (no exclusions)	1,487	1,774	3,274	6,968	1,758	1,309	855	1,965	9,038	5,891	3,432
<b>Details of operational risk capital calculation</b>												
11	not applicable											
12	not applicable											
13	not applicable											

**OPERATIONAL RISK UNDER PILLAR 1 FOR OTP GROUP LUXEMBOURG**

The Group calculates the capital requirement for operational risk under Pillar 1 in accordance with the provisions of the CRR based on a calculation of the Business Indicator Component (BIC). The Group calculates the relevant indicator once a year.

**Template 41: EU OR2 – Business Indicator, components and subcomponent of OTP Group Luxembourg**

€000

	Business indicator and its components	a	b	c	d
		2025	2024	2023	Average value
<b>1</b>	<b>Interest, lease and dividend component (ILDC)</b>				336,007
<b>EU 1</b>	<b>ILDC related to the individual institution/consolidated Group (excluding entities considered by Article 314(3))</b>				336,007
1a	Interest and lease income	519,935	595,620	560,813	558,789
1b	Interest and lease expense	63,864	99,912	82,750	82,176
1c	Total assets/Asset component	15,044,171	14,581,291	15,155,066	14,926,843
1d	Dividend income/Dividend component	206	141	111	153
<b>2</b>	<b>Services component</b>				191,810
2a	Fee and commission income	185,388	187,697	184,232	185,772
2b	Fee and commission expense	52,099	51,792	55,669	53,187
2c	Other operating income	2,418	3,752	4,161	3,444
2d	Other operating expenses	7,321	1,858	8,935	6,038
<b>3</b>	<b>Financial component</b>				12,691
3a	Net profit or loss applicable to trading book (TB)	8,483	7,715	6,780	7,659
3b	Net profit or loss applicable to banking book (BB)	6,665	6,368	2,063	5,032
<b>4</b>	<b>Business indicator</b>				540,508
<b>5</b>	<b>Business indicator component (BIC)</b>				64,861

**Template 42: EU OR2 – Business indicator disclosures of OTP Group Luxembourg**

€000

	a	
6a	Business indicator gross of excluded divested activities	540,508
6b	Reduction in BI due to excluded divested activities	
EU 6c	Impact of mergers/acquisitions on business indicator	

**Template 43: EU OR3 – Operational risk own funds requirements and risk exposure amounts of OTP Group Luxembourg**

€000

	a	
1	Business Indicator Component (BIC)	64,861
EU 1	Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	
2	Not applicable	
3	Minimum Required Operational Risk Own Funds Requirements (OROF)	64,861
4	Operational Risk Exposure Amounts (REA)	810,762



## 14 **KEY METRICS**

This section defines the requirements relating to the disclosures set out in Article 447 of Part Eight of the CRR, which are presented in Template EU KM1 in section 5.2 of this document.



## 15 EXPOSURE TO INTEREST RATE RISK ON POSITIONS NOT INCLUDED IN THE TRADING BOOK

(Article 448 of the CRR)

This section defines the disclosure requirements set out in Article 448 of Part Eight of the CRR.

Interest rate risk is managed in the same way at OTP Group Luxembourg and OTP Group Slovenia, as only the latter is exposed to this type of risk. The required information is therefore disclosed at OTP Group Slovenia level.

### 15.1 CHANGES IN THE ECONOMIC VALUE OF EQUITY CALCULATED UNDER THE SIX SUPERVISORY SHOCK SCENARIOS REFERRED TO IN ARTICLE 98(5) OF DIRECTIVE 2013/36/EU FOR THE CURRENT AND PREVIOUS DISCLOSURE PERIODS

(Article 448(a) of the CRR)

The Group carries out stress testing for the calculation of capital requirements for interest rate risk and with the aim of measuring vulnerability in stressful market conditions. In accordance with the relevant EBA guidelines, the Group employs the prescribed upward and downward shifts in the yield curve of various dimensions set out in point 15.5 in the third indent, and to that end takes into account the interest rate floor by individual product.

**Table 11: EU IRRBB1:** Calculations and impact of changes in interest rates on the economic value of equity and net interest income

€000

Supervisory shock scenarios €000	a	b	c	d
	changes in the economic value of equity		changes in net interest income	
	current period	previous period	current period	previous period
1 Parallel up	(111,088)	(50,012)	(13,677)	38,370
2 Parallel down	86,649	53,885	(70,644)	(73,505)
3 Steepener	31,825	34,494		
4 Flattener	(61,525)	(42,913)		
5 Short rates up	(95,532)	(54,122)		
6 Short rates down	89,499	56,593		

The result with the most significant negative change in the economic value of equity of the six stress-testing scenarios on 31 December 2025 was the "Parallel up" scenario, under which the economic value of equity would decrease by €111,088 thousand or 6.88% of the Group's Tier 1 capital (that figure was 3.55% of the Group's Tier 1 capital as at 31 December 2024).

In comparison with the previous year, the increase in EVE sensitivity was mostly the result of the investment strategy with bond purchases.



## 15.2 CHANGES IN THE NET INTEREST INCOME CALCULATED UNDER THE TWO SUPERVISORY SHOCK SCENARIOS REFERRED TO IN ARTICLE 98(5) OF DIRECTIVE 2013/36/EU FOR THE CURRENT AND PREVIOUS DISCLOSURE

(Article 448(b) of the CRR)

As per the EBA Guidelines, the Group performs the prescribed upward and downward shifts in the yield curve of various dimensions set out in the third indent of point 15.5 for all key currencies, and calculates the impact on net interest income (NII).

**Table 12:** Calculations and impact of changes in interest rates on net interest income

Supervisory shock scenarios €000	31/12/2025 Δ in net interest income	31/12/2024 Δ in net interest income
Supervisory shock scenarios		
Parallel up	(13,677)	38,370
Parallel down	(70,644)	(73,505)

In comparison with the previous year, the biggest impact on the change in NII sensitivity was the introduction and implementation of a new model for accounting for off-balance-sheet items, the implementation of a new NMD model, and the implementation of a new model for prepayments and loan refinancing.

## 15.3 DESCRIPTION OF KEY MODELLING AND PARAMETRIC ASSUMPTIONS, OTHER THAN THOSE REFERRED TO IN POINTS (B) AND (C) OF ARTICLE 98(5A) OF DIRECTIVE 2013/36/EU USED TO CALCULATE CHANGES IN THE ECONOMIC VALUE OF EQUITY AND IN THE NET INTEREST INCOME REQUIRED UNDER POINTS (A) AND (B) OF THIS PARAGRAPH

(Article 448(c) of the CRR)

The Group assesses the exposure to interest rate risk on the basis of assumptions defined in the Interest Rate Risk Management Methodology of OTP Group Slovenia, and monitors it in accordance with the OTP Group Slovenia Interest Rate Risk and Credit Spread Risk Management Policy.

The Group recognised the following as key assumptions:

- Demand deposits  
The Group divides euro-denominated demand deposits into stable and unstable deposits based on a model for defining stable and unstable demand deposits separately for the retail and corporate sectors. It further divides stable deposits into core and non-core deposits based on a model for defining core and non-core deposits separately for the corporate and household sectors, where household deposits are further divided into current accounts and non-maturing savings accounts.

Based on models, the Group classified 73.9% of household demand deposits and 74.3% of corporate demand deposits to core deposits as at 31 December 2025. Non-core demand deposits remain classified to the time buckets of up to one month, while core deposits are classified to time buckets based on the aforementioned models. Demand deposits denominated in other currencies remain classified to the demand time bucket.

- Options  
The Group used a loan prepayment model and loan refinancing model in the monitoring and management of interest rate risk. In the relevant calculation, those models take into account the amount of prepayments, depending on movements in interest rates. Both models were developed separately for the household and corporate segments, and separately for loans with a fixed interest rate and those with a variable interest rate. The corporate segment is further broken down into large and medium-sized enterprises, and small and micro enterprises. In the household segment, the percentage of prepaid and refinanced loans is



calculated separately for consumer loans and housing loans. The result of an individual model is a forecast of the percentage of prepaid and refinanced loans, which differ in terms of segment and type of interest rate.

The Group takes into account an early call option by the issuer in the management of interest rate risk in connection with investments in financial instruments.

The Group allows its customers to call deposits early in accordance with the valid 'General Instructions for Savings, Deposits and Savings Accounts\_VA-02', and charges those customers fees in accordance with the valid 'List of Fees for Transactions with Consumers' and 'List of Fees for Transactions with Legal Entities, Entrepreneurs and Sole Traders'. The Group monitors early calls of deposits monthly and finds that they are immaterial (less than 1% of approved deposits), and thus does not take them into account in the management of interest rate risk.

- **Off-balance-sheet items**  
The Group accounts for off-balance-sheet items, with the exception of interest rate swaps, on the basis of internal models. The off-balance-sheet items assessed using internal models are: Bank overdrafts, Revolving loans and Approved unused loans. Interest rate swaps (IRS) are accounted for in the total amount.
- **Non-performing loans**  
The Group treats overdue principal in non-performing loans as a non-interest-sensitive item, meaning it has no impact on interest rate risk.
- **Foreign currencies**  
The majority of the Group's portfolio is denominated in euros. Other currencies thus have an immaterial impact on the monitoring and management of interest rate risk.
- **Interest rate floor on the reference or overall interest rate on loans and deposits**  
In its calculations, the Group takes into account an interest rate floor for loans and deposits with a variable interest rate, where so defined, in the form of an interest rate floor on the overall or reference interest rate.

## 15.4 **EXPLANATION OF THE SIGNIFICANCE OF THE RISK MEASURES DISCLOSED UNDER POINTS (A) AND (B) OF THIS PARAGRAPH AND OF ANY SIGNIFICANT VARIATIONS OF THOSE RISK MEASURES SINCE THE PREVIOUS DISCLOSURE REFERENCE DATE**

*(Article 448(d) of the CRR)*

When calculating the change in NII, the Group takes into account the impact of a change in interest rates on demand deposits; in defining shocks, it uses pass-through factors for households and corporate clients, which are assessed on the basis of models for defining core and non-core deposits for households and corporate clients. The Group takes interest rate shocks into account in ongoing internal management scenarios and in supervisory reporting scenarios, where the average shock of each scenario over a one-year period multiplied by a pass-through factor for demand deposits and balances with the central bank is taken into account.

With securities, the Group takes the expected date of redemption into account in the calculations, not the original date of maturity.

Material changes since the last disclosure date:

- the development and introduction of a model for accounting for off-balance-sheet items;
- the implementation of a new prepayments and refinancing of loans model;
- the implementation of a new non-maturing deposits (NMD) model taken from HQ;
- the updating of the interest rate scenarios for current interest rate risk management to reflect market interest rate trends;
- the continuation of macro and micro hedging against interest rate risk.



## 15.5 DESCRIPTION OF HOW INSTITUTIONS DEFINE, MEASURE, MITIGATE AND CONTROL THE INTEREST RATE RISK OF THEIR NON-TRADING BOOK ACTIVITIES FOR THE PURPOSES OF THE COMPETENT AUTHORITIES' REVIEW IN ACCORDANCE WITH ARTICLE 84 OF DIRECTIVE 2013/36/EU, INCLUDING:

### **A) DESCRIPTION OF THE SPECIFIC RISK MEASURES THAT THE INSTITUTIONS USE TO EVALUATE CHANGES IN THEIR ECONOMIC VALUE OF EQUITY AND IN THEIR NET INTEREST INCOME**

*(Article 448(e)(i) of the CRR)*

The Group manages interest rate risk based on operational limits linked to the Bank's interest rate risk appetite, which is defined in the risk appetite framework (RAF).

To support the interest rate risk appetite, the Group monitors the following limits: the limit on the maximum negative change in the economic value of equity, the limit on the maximum negative change in NII and the fair value of the FVOCI portfolio in ongoing internal management scenarios and stress scenarios, the limit on the maximum negative change due to basis risk and the expanded NII limit, where negative sensitivity to parallel upward and downward shocks is taken into account from three perspectives: IRRBB, CSRBB, and basis risk. In accordance with the limits and scenarios set out in the SOT Directive and in support of the limit in RAS, the Group monitors the internal limits  $\Delta$ EVE SOT and  $\Delta$ NII SOT.

On a monthly basis, the Group implements the interest rate scenarios for ongoing internal management described below, and interest rate scenarios for stress testing and the calculation of the impact of a shift in the interest rate yield curve on the economic value of equity and net interest income over a period of one year. For that purpose, the Group takes into account the model for prepayments and refinancing of loans and a model for accounting for off-balance-sheet items, and uses a model for defining stable and unstable deposits and a model for defining core and non-core deposits for the purpose of classifying demand deposits.

The Group uses the basis point value method to monitor and manage interest rate risk. The basis point value method indicates to what extent the value of the portfolio of interest-sensitive instruments will decrease if the general level of interest rates rises by 1 basis point of 0.01%.

### **B) DESCRIPTION OF THE KEY MODELLING AND PARAMETRIC ASSUMPTIONS USED IN THE INSTITUTIONS' INTERNAL MEASUREMENT SYSTEMS THAT WOULD DIFFER FROM THE COMMON MODELLING AND PARAMETRIC ASSUMPTIONS REFERRED TO IN ARTICLE 98(5A) OF DIRECTIVE 2013/36/EU FOR THE PURPOSE OF CALCULATING CHANGES TO THE ECONOMIC VALUE OF EQUITY AND TO THE NET INTEREST INCOME, INCLUDING THE RATIONALE FOR THOSE DIFFERENCES**

*(Article 448(e)(ii) of the CRR)*

The Group uses standard modelling and parametric assumptions in the monitoring of interest rate risk.

### **C) DESCRIPTION OF THE INTEREST RATE SHOCK SCENARIOS THAT INSTITUTIONS USE TO ESTIMATE THE INTEREST RATE RISK**

*(Article 448(e)(iii) of the CRR)*

For its internal purposes and the purpose of calculating capital requirement for interest rate risk, the Group calculates the impact of the change on the economic value of equity and net interest income, where it takes into account the interest rate floor by each product in cases of the following shifts in the yield curve (ongoing internal management scenarios):

- a shock on the basis of past market data upwards and downwards
- a shock on the basis of historical VaR upwards and downwards (the calculation is performed for every point on the interest rate curve and therefore does not take into account the correlations between different interest rates)
- a flatter yield curve scenario



- a steeper yield curve scenario (an increase in long-term interest rates in the context of a slight increase in short-term interest rates).
- target EVE scenarios (four scenarios have been identified by the Group: EVE upwards, EVE downwards, VaR EVE upwards, VaR EVE downwards)
- target NII scenarios (four scenarios have been identified by the Group: NII upwards, NII downwards, VaR NII upwards, VaR NII downwards)
- an upward parallel shift in the yield curve of 100 basis points;
- Parallel downward yield curve shift by 100 basis points.

For the purposes of calculating capital requirement for interest rate risk and measuring its vulnerability in stress market conditions, the Group performs also stress-testing scenarios that have been summarised in line with the EBA Guidelines and takes into account the interest rate floor by each product.

The Group calculates the impact of a change in the economic value of equity (EVE) and net interest income (NII) as the result of the following shifts in the yield curve:

- an upward parallel shift in the yield curve;
- a downward parallel shift in the yield curve;
- the shock of a steeper yield curve (a decrease in short-term interest rates and an increase in long-term interest rates);
- the shock of a flatter yield curve (an increase in short-term interest rates and a decrease in long-term interest rates);
- the shock of an increase in short-term interest rates; and
- the shock of a decrease in short-term interest rates.

The result of the scenario with the worst impact on the change in the economic value of equity and the basic risk EVE premium represents the own funds requirements for interest rate risk. A premium for expanded NII is added to the own funds requirement in the event that, in the worst-case scenario, the expanded NII indicator exceeds the maximum loss specified in the OTP Group Slovenia's Operational Limits Handbook.

The Group implements interest rate scenarios for the ongoing management of interest rate risk, and performs stress tests separately for euros, US dollars and Swiss francs.

## **D) RECOGNITION OF THE EFFECT OF HEDGES AGAINST THOSE INTEREST RATE RISKS, INCLUDING INTERNAL HEDGES THAT MEET THE REQUIREMENTS LAID DOWN IN ARTICLE 106(3)**

*(Article 448(e)(iv) of the CRR)*

In addition to the natural hedging of its interest rate position, the Group has introduced hedge accounting.

The Group applies IFRS 9 for hedge accounting purposes. The Group applies interest rate hedging as a form of micro fair value hedging. The Group executed several micro hedges of the fair value of investments in bonds in the FVOCI portfolio in 2022, as well as the fair value hedging of its own issued bonds in 2023 and macro hedging for core deposits (Core NMD) in 2024. In 2025, the Group continued to use the fair value hedging (micro-hedging) and concluded standard interest rate swaps for the fair value hedging of bonds in its portfolio, as well as interest rate swaps for the hedging of issued securities in order to reduce exposure to interest rate risk and limit capital volatility. The Group also continued macro-hedging activities, concluding standard interest rate swaps for the hedging of core sight deposits (Core NMD).

## **E) OUTLINE OF HOW OFTEN THE EVALUATION OF THE INTEREST RATE RISK OCCURS**

*(Article 448(e)(v) of the CRR)*

The Group monitors interest rate risk monthly, and reports to the ALCO monthly in the scope of the CRO report. The Group reports quarterly to the ECB regarding exposure to interest rate risk as part of its STE and ITS (DPM) reporting.



## **15.6 DESCRIPTION OF THE OVERALL RISK MANAGEMENT AND MITIGATION STRATEGIES FOR THOSE RISKS**

*(Article 448(f) of the CRR)*

The Group monitors and manages the interest rate risk of the banking book in accordance with the Interest Rate Risk and Credit Spread Risk Management Policy of OTP Group Slovenia and Interest Rate Risk Management Methodology of OTP Group Slovenia.

The Group applies a risk appetite framework that defines its appetite to take up certain types of risk. The Interest Rate Risk and Credit Spread Risk Management Policy is part of the Risk Management Strategy. The interest rate risk appetite statement (RAS) is defined in that strategy.

The Group manages interest rate risk based on operational limits linked to the Bank's risk interest rate risk appetite, which is defined in the risk appetite framework.

To prevent a significant increase in interest rate risk, and to prevent the breach of regulatory limits and the interest rate risk appetite limit, the Group employs a limit system as defined in the OTP Group Slovenia Operational Limits Handbook. The Group monitors the utilisation of limits on a monthly basis.

## **15.7 AVERAGE AND LONGEST REPRICING MATURITY ASSIGNED TO NON-MATURITY DEPOSITS**

*(Article 448(g) of the CRR)*

The Group divides euro-denominated demand deposits into stable and unstable deposits based on a model for defining stable and unstable demand deposits separately for the retail and corporate sectors. It further divides stable deposits into core and non-core deposits based on a model for defining core and non-core deposits separately for the retail and corporate sectors. The maximum maturity of demand deposit allocation is 20 years, while the average maturity of demand deposit allocation is between 3.9 and 4.2 years.



## 16 **EXPOSURE TO SECURITISATION POSITIONS**

*(Article 449 of the CRR)*

This disclosure is not relevant. OTP Group Slovenia has no securitisation positions.



# 17 LEVERAGE RATIO

(Article 451 of the CRR)

This section defines the disclosure requirements set out in Article 451 of Part Eight of the CRR, and in the templates prescribed in Article 6 of Commission Implementing Regulation (EU) 2021/637.

## 17.1 LEVERAGE RATIO

(Article 451(a) to (c) of the CRR)

The Bank includes the following in the calculation of the total exposure measure for the purpose of calculating the leverage ratio:

- on-balance-exposures, without taking into account own funds deductions;
- the relevant portion of off-balance sheet exposures, i.e. taking into account conversion factors and excluding value adjustments; and
- the relevant exposures from derivatives.

Movements in the exposure measure and Tier 1 capital are explained in sections 4.4, 5.4 and 17.3 of this document.

### 17.1.1 LEVERAGE RATIO FOR OTP GROUP LUXEMBOURG

**Template 44:** EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

€000

		a Applicable amount 31/12/2025
1	Total assets as per published financial statements	15,387,742
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	0
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	59,697
9	Adjustment for securities financing transactions (SFTs)	-
10	Adjustment for off-balance-sheet items (i.e. conversion to credit equivalent amounts of off-balance-sheet exposures)	1,009,918
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(99,929)
<b>3</b>	<b>Total exposure measure</b>	<b>16,357,427</b>



## Template 45: EU LR2 – LRCom: Leverage ratio common disclosure

€000

		CRR leverage ratio exposure	
		a	b
		31/12/2025	31/12/2024
<b>On-balance-sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance-sheet items (excluding derivatives, SFTs, but including collateral)	15,357,287	14,873,768
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(100,378)	(105,530)
7	<b>Total on-balance-sheet exposures (excluding derivatives and SFTs)</b>	<b>15,256,909</b>	<b>14,768,238</b>
<b>Derivative exposures</b>			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	-	-
U-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	-	-
EU-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under the original exposure method	90,601	128,338
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-



		CRR leverage ratio exposure	
		a	b
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
<b>13</b>	<b>Total derivatives exposures</b>	<b>90,601</b>	<b>128,338</b>
<b>Securities financing transaction (SFT) exposures</b>			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
EU-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
<b>18</b>	<b>Total securities financing transaction exposures</b>	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposures at gross notional amount	3,495,410	3,261,771
20	(Adjustments for conversion to credit equivalent amounts)	(2,495,527)	(2,400,809)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	9,993	(9,286)
<b>22</b>	<b>Off-balance-sheet exposures</b>	<b>1,009,918</b>	<b>870,248</b>
<b>Excluded exposures</b>			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Excluded exposures to shareholders according to Article 429a(1)(da) of the CRR)	-	-
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	-	-
<b>EU-22m</b>	<b>(Total exempted exposures)</b>	<b>-</b>	<b>-</b>
<b>Capital and total exposure measure</b>			
23	Tier 1 capital	1,557,022	1,469,763
24	Total exposure measure	16,357,427	15,766,825
<b>Leverage ratio</b>			
25	Leverage ratio (%)	9.52%	9.32%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	9.52%	9.32%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.52%	9.32%



		CRR leverage ratio exposure	
		a	b
	(%)		
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
<b>Choice on transitional arrangements and relevant exposures</b>			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Yes	Yes
<b>Disclosure of mean values</b>			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	-	4,446
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	16,357,427	15,771,271
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	16,357,427	15,771,271
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.52%	9.32%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.52%	9.32%



**Template 46:** EU LR3 – LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

€000

		a CRR leverage ratio exposures as at 31 December 2025
<b>EU-1</b>	<b>Total on-balance-sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	<b>15,357,287</b>
EU-2	Trading book exposures	4,969
EU-3	Banking book exposures, of which:	15,352,318
EU-4	Covered bonds	350,576
EU-5	Exposures treated as sovereigns	5,057,048
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	336,659
EU-7	Institutions	1,205,672
EU-8	Exposures secured by mortgages on immovable property	2,920,230
EU-9	Retail exposures	2,241,271
EU-10	Exposures to corporates	2,441,506
EU-11	Exposures in default	133,650
EU-12	Other exposures (e.g. equity, securitisations and other non-credit obligation assets)	665,707

## 17.1.2 LEVERAGE RATIO FOR OTP GROUP SLOVENIA

**Template 47:** EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

€000

		a Applicable amount 31 December 2025
1	Total assets as per published financial statements	15,390,792
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	0
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	59,697
9	Adjustment for securities financing transactions (SFTs)	-
10	Adjustment for off-balance-sheet items (i.e. conversion to credit equivalent amounts of off-balance-sheet exposures)	1,009,918
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(99,120)
<b>13</b>	<b>Total exposure measure</b>	<b>16,361,287</b>



## Template 48: EU LR2 – LRCom: Leverage ratio common disclosure

€000

		CRR leverage ratio exposure	
		a	b
		31/12/2025	31/12/2024
<b>On-balance-sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance-sheet items (excluding derivatives, SFTs, but including collateral)	15,360,337	14,877,105
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(99,569)	(104,669)
7	<b>Total on-balance-sheet exposures (excluding derivatives and SFTs)</b>	<b>15,260,768</b>	<b>14,772,437</b>
<b>Derivative exposures</b>			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	-	-
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	-	-
EU-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under the original exposure method	90,601	128,338
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	<b>Total derivatives exposures</b>	<b>90,601</b>	<b>128,338</b>
<b>Securities financing transaction (SFT) exposures</b>			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
EU-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	<b>Total securities financing transaction exposures</b>	<b>-</b>	<b>-</b>



		CRR leverage ratio exposure	
		a	b
		31/12/2025	31/12/2024
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposures at gross notional amount	3,495,451	3,261,771
20	(Adjustments for conversion to credit equivalent amounts)	(2,495,527)	(2,400,809)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	9,993	9,286
<b>22</b>	<b>Off-balance-sheet exposures</b>	<b>1,009,918</b>	<b>870,248</b>
<b>Excluded exposures</b>			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Excluded exposures to shareholders according to Article 429a(1)(da) of the CRR)	-	-
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	-	-
<b>EU-22m</b>	<b>(Total exempted exposures)</b>	<b>-</b>	<b>-</b>
<b>Capital and total exposure measure</b>			
23	Tier 1 capital	1,614,094	1,526,358
24	Total exposure measure	16,361,287	15,771,023
<b>Leverage ratio</b>			
25	Leverage ratio (%)	9.87%	9.68%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	9.87%	9.68%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	9.87%	9.68%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%



		CRR leverage ratio exposure	
		a	b
		31/12/2025	31/12/2024
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
<b>Choice on transitional arrangements and relevant exposures</b>			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Yes	Yes
<b>Disclosure of mean values</b>			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	-	4,446
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	16,361,287	15,775,469
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	16,361,287	15,775,469
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.87%	9.68%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.87%	9.68%



## Template 49: EU LR3 – LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

€000

a  
CRR leverage ratio  
exposures as at  
31 December 2025

<b>EU-1</b>	<b>Total on-balance-sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	<b>15,360,337</b>
EU-2	Trading book exposures	4,969
EU-3	Banking book exposures, of which:	15,355,368
EU-4	Covered bonds	350,576
EU-5	Exposures treated as sovereigns	5,057,048
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	336,659
EU-7	Institutions	1,205,207
EU-8	Exposures secured by mortgages on immovable property	2,920,230
EU-9	Retail exposures	2,241,271
EU-10	Exposures to corporates	2,441,517
EU-11	Exposures in default	133,650
EU-12	Other exposures (e.g. equity, securitisations and other non-credit obligation assets)	669,211

## 17.2 DESCRIPTION OF THE PROCESSES USED TO MANAGE THE RISK OF EXCESSIVE LEVERAGE

*(Article 451(d) of the CRR)*

The parent bank regularly monitors the level of the leverage ratio in the scope of own funds requirements. That monitoring was defined in the risk appetite framework and recovery plan of OTP Group Slovenia. The level of the ratio is reported to:

- Supervisory Board,
- Management Board,
- and various internal committees (e.g. the ALCO).

In the risk appetite framework and recovery plan, the parent bank defined at the Group level red, yellow, and green threshold values for the leverage ratio. When the yellow threshold value is exceeded, the ALCO adopts decisions necessary for leverage. When the red threshold value is exceeded, decisions are made by the Crisis Management Committee, which is in line with the escalation process for the management of indicators set out in the recovery plan.

As at 31 December 2025, the leverage ratio was 9.52% at OTP Group Luxembourg level and 9.87% at OTP Group Slovenia level. These figures were in line with the Group's business plan, which focuses on traditional lending (including to the corporate segment, to which higher risk-weights apply).



17.3

## **DESCRIPTION OF THE FACTORS THAT HAD AN IMPACT ON THE LEVERAGE RATIO DURING THE PERIOD TO WHICH THE DISCLOSED LEVERAGE RATIO REFERS**

*(Article 451(e) of the CRR)*

The Group calculated the leverage ratio by taking into account the relevant amount of on- and off-balance-sheet exposures, and the amount of its Tier 1 capital as at 31 December 2025. The following factors had the most significant impact on the calculation of the leverage ratio in 2025:

- changes in terms of Tier 1 capital are explained in section 4.4 of this document;
- changes in terms of exposure measures are explained in section 5.4 of this document.



# 17.A LIQUIDITY REQUIREMENTS

(Article 451(a) of the CRR)

## Template 50: EU LIQA: Liquidity risk management

Row number	Qualitative information	
(a)	Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding.	<p>The strategies and processes are set out in Section 2.2, and separately for the ILAAP in Section 2.2.1.2.2.</p> <p>The Bank defined the following risk management objectives at the Group level in its risk appetite framework:</p> <ul style="list-style-type: none"> <li>• moderate, yet stable and sustained profitability</li> <li>• the generation of profits while taking-up moderate credit risk</li> <li>• take-up of diversified default risk in investments vis-à-vis sovereigns and counterparties, and the maintenance of a high level of liquidity</li> <li>• maintenance of funding and liquidity risks at low levels</li> <li>• resilience to ESG risks with an emphasis on climate and environmental risks</li> <li>• maintenance of the other risks to which the Group is exposed at a moderate or low level.</li> </ul>
(b)	The structure and organisation of the liquidity risk management function (authority, statute, other arrangements.)	The structure and organisation of the Group's risk management function is described in Section 2.2.2.
(c)	A description of the degree of centralisation of liquidity management and interaction between the group's units.	<p>Liquidity risk is managed in accordance with the OTP Group Slovenia ILAAP policy. The asset and liability management department manages operational liquidity, the strategic risk management department manages structural liquidity (including operations in normal circumstances and extraordinary circumstances), and the accounting and taxes department carries out regulatory reporting. The bodies responsible for deciding on liquidity management are the Liquidity Commission and the Asset and Liabilities Committee. The roles and responsibilities are allocated in accordance with the policy.</p> <p>The Group's funding is set out by its business plan.</p>
(d)	Scope and nature of liquidity risk reporting and measurement systems.	The scope and nature of liquidity risk reporting and measurement systems are described in Section 2.2.3.
(e)	Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.	<p>The policies and strategies for hedging against risk, including liquidity risk, are described in section 2.2.4.</p> <p>The following are the most important for liquidity risk:</p>



Row number	Qualitative information	
		<ul style="list-style-type: none"> <li>• Risk Appetite Strategy with Risk Appetite Statement;</li> <li>• Operational Limits Handbook;</li> <li>• Asset and Liability Management (ALM) Strategy;</li> <li>• Business Strategy;</li> <li>• Funding Plan;</li> <li>• ESG Strategy;</li> <li>• ILAAP Policy;</li> <li>• Stress Testing Policy;</li> <li>• Resolution Policy;</li> <li>• Hedge Accounting Policy;</li> <li>• ILAAP Methodology;</li> <li>• ILAAP stress test methodology;</li> <li>• Liquidity Contingency Plan Methodology</li> <li>• Methodology of Internal Funds Transfer Prices;</li> <li>• Risk Profile Assessment Methodology.</li> </ul>
(f)	An outline of the bank's contingency funding plans.	<p>The Group has in place a liquidity contingency plan to manage liquidity crises, the purpose of which is to define effective options and activities for preventing and managing unfavourable liquidity situations, including appropriate options to overcome and limit the consequences of liquidity crises and to restore the normal liquidity position of the Bank.</p> <p>The Group has also in place a recovery and resolution plan and a liquidity resolution plan.</p>
(g)	An explanation of how stress testing is used.	<p>Stress tests are described in Section 2.2.1.2.3. The performance of stress tests in the scope of the ILAAP is an integral part of the Group's overall risk management. It is set out in the Stress-Testing Policy and in the ILAAP methodology.</p> <p>The Group reports the results of stress tests to the Supervisory Board, the Bank's Management Board and to other relevant decision-making levels, in order to take into account the results and findings in the further operations of the Group. The aim of liquidity stress testing is to ensure sufficient liquidity also in stress conditions.</p>
(h)	A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.	The declaration of the management body regarding the adequacy of risk management arrangements is given in Section 2.2.5.



Row number	Qualitative information	
(i)	<p>A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body.</p> <p>These ratios may include:</p>	<p>The management body's concise risk statement is described in Section 2.2.5.</p>
	<ul style="list-style-type: none"> <li>• concentration limits on collateral pools and sources of funding (both products and counterparties),</li> <li>• customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank,</li> <li>• liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity,</li> <li>• balance-sheet and off-balance-sheet items broken down into maturity buckets and the resultant liquidity gaps.</li> </ul>	<p>Funding risk and market liquidity risk are low. The Group keeps funding risk low by maintaining a highly diverse and stable portfolio of deposits by domestic retail and corporate customers, while wholesale funding also accounts for a certain proportion of funding. The Group intends to maintain a similar funding structure over the period covered by the financial plan, in the form of an extensive and diverse portfolio of retail and corporate operations, and funding obtained from owner of the Bank, on the wholesale money market or the interbank market.</p> <p>The Group gives precedence to maintaining a significant stock of high-quality liquid assets, thereby maintaining liquidity ratios above the regulatory requirements. The Group follows an investment strategy, which is approved by the Management Board and sets out the diversification of assets and the duration of the bond portfolio as a whole.</p> <p>Compliance with the liquidity risk appetite is monitored via the defined targets for the following key risk indicators:</p> <ul style="list-style-type: none"> <li>• liquidity coverage ratio (LCR)</li> <li>• net stable funding ratio (NSFR)</li> <li>• survival period</li> <li>• internal liquidity buffer</li> </ul> <p>Other indicators are monitored within the framework of the system of operational risk limits:</p> <ul style="list-style-type: none"> <li>• the operational liquidity ratio</li> <li>• the AER</li> <li>• 30 largest depositors</li> <li>• LTD ratio for the non-banking sector</li> <li>• breakdown of liabilities by maturity bucket</li> <li>• liquidity gaps by maturity bucket as a ratio to total liabilities</li> </ul>



**Template 51: EU LIQ1: Quantitative information on LCR at OTP Group Luxembourg level**

Scope of consolidation (on a consolidated basis)		Total unweighted value (average)				Total weighted value (average)			
Currency and units (in million)									
EU 1a	Date at end of quarter (DD month YYYY)	31/12/2025	30/9/2025	30/6/2025	31/03/2025	31/12/2025	30/9/2025	30/6/2025	31/03/2025
EU 1b	Number of data points used in the calculation of average values	12	12	12	12	12	12	12	12
<b>HIGH-QUALITY LIQUID ASSETS</b>									
1	Total high-quality liquid assets (HQLA)					5,415	5,481	5,481	5,190
<b>CASH OUTFLOWS</b>									
2	Retail deposits and deposits from small business customers, of which:	9,795	9,745	9,504	8,869	633	635	620	578
3	<i>Stable deposits</i>	6,700	6,626	6,536	6,196	335	331	327	310
4	<i>Less stable deposits</i>	2,674	2,735	2,634	2,402	298	304	293	268
5	Unsecured wholesale funding	2,031	1,934	1,792	1,516	918	898	856	726
6	<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	0	0	0	0	0	0	0	0
7	<i>Non-operational deposits (all counterparties)</i>	1,994	1,896	1,747	1,504	881	861	811	714
8	<i>Unsecured debt</i>	37	37	45	12	37	37	45	12
9	Secured wholesale funding					0	0	0	0
10	Additional requirements	2,037	2,033	1,969	1,789	234	230	220	196
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	1	0	1	0	1	0	1	0
12	<i>Outflows related to loss of funding on debt products</i>	0	0	0	0	0	0	0	0
13	<i>Credit and liquidity facilities</i>	2,037	2,033	1,969	1,789	234	230	220	196
14	Other contractual funding obligations	90	92	98	98	78	80	86	87
15	Other contingent funding obligations	1,288	1,216	1,129	1,008	40	39	38	34
16	TOTAL CASH OUTFLOWS					1,904	1,883	1,820	1,622
<b>CASH INFLOWS</b>									
17	Secured lending (e.g. reverse repos)	0	9	9	9	0	0	0	0
18	Inflows from fully performing exposures	557	554	525	480	441	440	416	384
19	Other cash inflows	23	20	17	14	23	20	17	14
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	579	582	550	502	464	459	433	397
EU-20a	<i>Fully exempt inflows</i>	0	0	0	0	0	0	0	0
EU-20b	<i>Inflows subject to 90% cap</i>	0	0	0	0	0	0	0	0
EU-20c	<i>Inflows subject to 75% cap</i>	579	582	550	502	464	459	433	397
<b>TOTAL ADJUSTED VALUE</b>									
EU-21	LIQUIDITY BUFFER					5,415	5,481	5,481	5,190
22	TOTAL NET CASH OUTFLOWS					1,440	1,423	1,387	1,225
23	LIQUIDITY COVERAGE RATIO					377.90%	387.64%	401.77%	434.02%



**Table 13:** EU LIQB: Qualitative information on LCR, which complements template EU LIQ1

*In accordance with Article 451a(2) of the CRR*

Row number	Qualitative information	
(a)	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	The Bank's business model was unchanged during the observed period. For this reason, input data for the calculation of the ratio were mostly unchanged during that period.
(b)	Explanations on the changes in the LCR over time	The average LCR was down over the quarters observed. The reason for this mainly lies in the increase in net cash outflows. Through the quarters observed, cash outflows increased considerably more than cash inflows; for this reason, net cash outflows were higher than in previous quarters, which contributed to a reduction in the average LCRs through the quarters observed. The average liquidity buffer increased in Q2 2025, and the level of the average liquidity buffer was maintained through subsequent quarters.
(c)	Explanations on the actual concentration of funding sources	The Bank's business model is based on deposits by the non-banking sector, which account for 79.5% of total liabilities. Deposits by the non-banking sector are highly stable. The Bank also regularly monitors exposure to the largest depositors, and restricts concentration through limits set internally.
(d)	High-level description of the composition of the institution's liquidity buffer.	The majority (99%) of the liquidity buffer consists of extremely high-quality Level 1 assets, 21% of which are held in a settlement account at the central bank and 67% held by central government units. The remaining 1% consists of Level 2 assets.
(e)	Derivative exposures and potential collateral calls	The Bank is exposed to derivatives to a lesser extent. Derivatives in the trading book are closed by counter transactions, and therefore do not pose a significant liquidity risk, and no material additional collateral is envisaged for them. The Bank uses derivatives to hedge against interest rate risk in the banking book (IRRBB).
(f)	Currency mismatch in the LCR	Currency risk is defined as the risk of a loss caused by any change in the exchange rate of on-balance-sheet and off-balance-sheet foreign currency items. Currency risk is defined as financially immaterial at the Bank. As OTP banka maintains a closed currency position on a daily basis, it has no need to calculate own funds requirements for currency risk under the CRR. Other members of the Group hold an immaterial position in foreign currencies.
(g)	Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	/



Template 52: EU LIQ2: Net Stable Funding Ratio at OTP Group Luxembourg Level  
In accordance with Article 451a(3) of the CRR

OTP Group Luxembourg discloses its NSFR as at 31 December, 30 September, 30 June and 31 March 2025.

31/12/2025		a	b	c	d	e
Currency and units (million)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>						
1	Capital items and instruments	1,557	0	0	44	1,601
2	Own funds	1,557	0	0	44	1,601
3	Other capital instruments		0	0	0	0
4	Retail deposits		9,926	214	8	9,495
5	Stable deposits		7,064	156	4	6,863
6	Less stable deposits		2,863	58	4	2,632
7	Wholesale funding:		2,313	19	717	1,698
8	Operational deposits		0	0	0	0
9	Other wholesale funding		2,313	19	717	1,698
10	Interdependent liabilities		0	0	0	0
11	Other liabilities:	2	114	0	92	92
12	NSFR derivative liabilities	2				
13	All other liabilities and capital instruments not included in the above categories		114	0	92	92
14	<b>Total available stable funding (ASF)</b>					<b>12,886</b>
<b>Required stable funding (RSF) Items</b>						
15	Total high-quality liquid assets (HQLA)					123
EU-15a	Assets encumbered for more than 12m in cover pool		0	0	0	0
16	Deposits held at other financial institutions for operational purposes		45	0	0	23
17	Performing loans and securities:		1,645	1,068	6,559	6,449
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		0	0	0	0
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		531	46	381	458
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		932	859	3,289	4,975
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		4	11	92	1,143
22	Performing residential mortgages, of which:		66	90	1,806	0
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		57	69	1,559	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		116	73	1,082	1,016
25	Interdependent assets		0	0	0	0
26	Other assets:		228	10	346	444
27	Physical traded commodities				0	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		0	0	7	6
29	NSFR derivative assets		0			0
30	NSFR derivative liabilities before deduction of variation margin posted		7			0
31	All other assets not included in the above categories		221	10	339	438
32	Off-balance sheet items		3,495	0	0	155
33	<b>Total RSF</b>					<b>7,193</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>179.14%</b>



30/09/2025		a	b	c	d	e
Currency and units (million)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>						
1	Capital items and instruments	1,478	0	0	48	1,527
2	Own funds	1,478	0	0	48	1,527
3	Other capital instruments		0	0	0	0
4	Retail deposits		9,711	206	7	9,287
5	Stable deposits		6,932	158	4	6,740
6	Less stable deposits		2,779	47	3	2,547
7	Wholesale funding:		2,112	212	715	1,744
8	Operational deposits		0	0	0	0
9	Other wholesale funding		2,112	212	715	1,744
10	Interdependent liabilities		0	0	0	0
11	Other liabilities:	2	119	0	90	90
12	NSFR derivative liabilities	2				
13	All other liabilities and capital instruments not included in the above categories		119	0	90	90
14	<b>Total available stable funding (ASF)</b>					<b>12,647</b>
<b>Required stable funding (RSF) Items</b>						
15	Total high-quality liquid assets (HQLA)					129
EU-15a	Assets encumbered for more than 12m in cover pool		0	0	0	0
16	Deposits held at other financial institutions for operational purposes		100	0	0	50
17	Performing loans and securities:		1,604	1,074	6,397	6,296
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		0	0	0	0
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		497	13	257	313
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		956	877	3,265	4,973
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		25	11	88	1,129
22	Performing residential mortgages, of which:		72	111	1,780	0
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		54	68	1,529	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		79	74	1,095	1,009
25	Interdependent assets		0	0	0	0
26	Other assets:		176	6	348	392
27	Physical traded commodities				0	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		0	0	5	4
29	NSFR derivative assets		0			0
30	NSFR derivative liabilities before deduction of variation margin posted		8			0
31	All other assets not included in the above categories		168	6	343	387
32	Off-balance sheet items		3,394	0	0	151
33	<b>Total RSF</b>					<b>7,018</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>180.23%</b>



30/06/2025		a	b	c	d	e
Currency and units (million)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>						
1	Capital items and instruments	1,478	0	0	50	1,528
2	<i>Own funds</i>	1,478	0	0	50	1,528
3	<i>Other capital instruments</i>		0	0	0	0
4	Retail deposits		9,668	206	8	9,251
5	<i>Stable deposits</i>		6,977	158	5	6,783
6	<i>Less stable deposits</i>		2,691	48	3	2,468
7	Wholesale funding:		2,021	249	710	1,690
8	<i>Operational deposits</i>		0	0	0	0
9	<i>Other wholesale funding</i>		2,021	249	710	1,690
10	Interdependent liabilities		0	0	0	0
11	Other liabilities:	1	163	0	94	94
12	<i>NSFR derivative liabilities</i>	1				
13	<i>All other liabilities and capital instruments not included in the above categories</i>		163	0	94	94
14	<b>Total available stable funding (ASF)</b>					<b>12,562</b>
<b>Required stable funding (RSF) Items</b>						
15	Total high-quality liquid assets (HQLA)					139
EU-15a	Assets encumbered for more than 12m in cover pool		0	0	0	0
16	Deposits held at other financial institutions for operational purposes		71	0	0	36
17	Performing loans and securities:		1,308	1,131	6,326	6,226
18	<i>Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut</i>		0	0	0	0
19	<i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		229	9	249	276
20	<i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>		960	897	3,207	4,920
21	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		11	26	84	1,113
22	<i>Performing residential mortgages, of which:</i>		69	108	1,759	0
23	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		54	66	1,507	0
24	<i>Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products</i>		50	116	1,110	1,029
25	Interdependent assets		0	0	0	0
26	Other assets:		180	6	353	398
27	<i>Physical traded commodities</i>				0	0
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		0	0	6	5
29	<i>NSFR derivative assets</i>		0			0
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>		13			1
31	<i>All other assets not included in the above categories</i>		168	6	346	392
32	Off-balance sheet items		3,321	0	0	151
33	<b>Total RSF</b>					<b>6,949</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>180.77%</b>



31/03/2025		a	b	c	d	e
Currency and units (million)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>						
1	Capital items and instruments	1,476	0	0	53	1,529
2	Own funds	1,476	0	0	53	1,529
3	Other capital instruments		0	0	0	0
4	Retail deposits		9,323	182	7	8,903
5	Stable deposits		6,688	137	4	6,488
6	Less stable deposits		2,634	45	3	2,414
7	Wholesale funding:		2,492	28	618	1,514
8	Operational deposits		0	0	0	0
9	Other wholesale funding		2,492	28	618	1,514
10	Interdependent liabilities		0	0	0	0
11	Other liabilities:	2	121	0	123	123
12	NSFR derivative liabilities	2				
13	All other liabilities and capital instruments not included in the above categories		121	0	123	123
14	<b>Total available stable funding (ASF)</b>					<b>12,069</b>
<b>Required stable funding (RSF) Items</b>						
15	Total high-quality liquid assets (HQLA)					109
EU-15a	Assets encumbered for more than 12m in cover pool		0	0	0	0
16	Deposits held at other financial institutions for operational purposes		159	0	0	79
17	Performing loans and securities:		1,395	1,052	6,219	6,144
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		0	0	0	0
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		212	78	201	261
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		1,009	808	3,151	4,835
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		2	32	86	1,094
22	Performing residential mortgages, of which:		65	88	1,747	0
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		53	64	1,481	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		108	78	1,120	1,048
25	Interdependent assets		0	0	0	0
26	Other assets:		183	5	343	393
27	Physical traded commodities				0	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		0	0	7	6
29	NSFR derivative assets		0			0
30	NSFR derivative liabilities before deduction of variation margin posted		10			1
31	All other assets not included in the above categories		172	5	336	386
32	Off-balance sheet items		3,243	0	0	150
33	<b>Total RSF</b>					<b>6,875</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>175.54%</b>



## **17.B DISCLOSURE OF EXPOSURES TO CRYPTO-ASSETS AND ASSOCIATED ACTIVITIES**

*(Article 451(b) of the CRR)*

This disclosure is not relevant. OTP Group Slovenia has no exposures from cryptoassets.

## **18 USE OF THE IRB APPROACH TO CREDIT RISK**

*(Article 452 of the CRR)*

The Bank uses an internal credit rating system that is in line with the IRB approach for the purpose of determining obligor ratings and in other related processes.

The IRB approach is not used in the process of calculating Pillar 1 own funds requirements, where the standardised approach remains in use. An "IRB-like" approach is used to calculate Pillar 2 own funds requirements.



## 19 USE OF CREDIT RISK MITIGATION TECHNIQUES

This section defines the disclosure requirements set out in Article 453 of Part Eight of the CRR and Section 4.8 of the Guidelines.

### 19.1 POLICIES AND PROCESSES FOR, AND AN INDICATION OF THE EXTENT TO WHICH THE ENTITY MAKES USE OF, ON- AND OFF-BALANCE-SHEET NETTING

*(Article 453(a) of the CRR)*

This disclosure is not relevant. The Group does not use on- and off-balance-sheet netting as a form of credit protection.

### 19.2 POLICIES AND PROCESSES FOR COLLATERAL VALUATION AND MANAGEMENT

*(Article 453(b) of the CRR)*

The OTP Group Slovenia Credit Protection Policy (hereinafter: the Policy) is the core document governing the collateralisation of the investments of the Bank and Group. The Policy summarises basic guidelines regarding the acceptance, valuation, monitoring and the reporting on collateral, with the aim of mitigating credit risk. The Policy also sets out the conditions that must be met for a particular form of collateral to be acceptable by the Bank. The valuation of collateral is described in the Policy and the Methodology for Loan Collateral Valuation and Allocation.

The main objective of the Policy is to mitigate credit risk. Collateral represents a secondary source for the repayment of contractual obligations, if an obligor, for any reason, ceases to settle its obligations, or if there is a change in the circumstances that were known at the time of loan approval.

For collateral in the form of a lien on assets or property, in particular real estate, movable property or financial instruments, that lien must give highest priority to the Bank.

When concluding a transaction, the Bank and Group obtain, for each form of collateral, documentation required to ensure legal certainty if a secondary source of payment is used. In accordance with the applicable legislation, the Group has a system in place for the valuation, monitoring of and reporting on collateral. The valuation of collateral in the form of property is carried out prior to loan approval. The market value of the majority of real estate and movable property pledged as collateral is obtained from the valuation reports drawn up by certified external appraisers. The Group has prepared a list of external real estate and movable property appraisers, whose valuations are accepted by the Group and with whom it has entered into cooperation agreements. The valuation reports drawn up by external appraisers are reviewed by the competent expert department, primarily in terms of credibility and compliance with the International Valuation Standards. Reviewed and approved valuations serve as the basis for making the necessary collateral arrangements. The Group dedicates special attention to the legal certainty, integrity and saleability of the assets it accepts as collateral. To this end, the competent expert departments verify the suitability of an asset in terms of legal certainty, integrity and saleability before it is accepted as collateral. The market value of financial instruments is obtained from the regulated organised market (stock exchange), while the value of unquoted instruments is determined using internal instructions.

In the scope of the ESG strategy, risks in connection with the value of real estate collateral are also assessed. Subject to assessment is the impact of climate change, which includes physical risk (the financial impact of climate change, which includes more frequent extreme weather events, gradual climate change and environmental degradation) and transitional risk (financial loss incurred directly or indirectly by the Bank as the result of adaptation to a low-carbon or more sustainable economy). Based on identified climate and environmental risk, the Bank classifies real estate to three risk categories. The Bank's general policy is to accept energy efficient real estate as collateral.

For the duration of a contractual relationship, the Group monitors the appropriateness of pledged collateral, ensures the necessary valuations and takes into account the criteria of maximum loan-to-value (LTV) ratio. The monitoring of the value of collateral during



the loan repayment period is carried out in accordance with the legally prescribed periods and internal methodologies. For example, the Group monitors the value of real estate pledged as collateral at least once a year, either by obtaining an individual valuation report from an external appraiser or by using indices determined using advanced statistical methods. Should the value of the collateral fall, the Group requests additional collateral.

The basis for determining the value of collateral is the market value of a pledged asset, while in the processes of loan origination, the assessment of impairments of financial assets and reporting, the Group also uses expert adjustments to the value of assets that reflect expectations regarding cash flow in the event of the redemption of collateral. The Group uses the value adjustments prescribed by the regulator for individual types of assets in the calculation of own funds requirements.

**Table 14:** Haircuts to individual forms of collateral

Type of collateral	HC range, %
Bank deposits	0
Guarantees/sureties/insurers	0-100
Immovable property	30-50
Movable property	50-55
Securities	0-100
Participating interests	100
Receivables	75-100
Life insurance policies	100
Other collateral	100

### 19.3 DESCRIPTION OF THE MAIN TYPES OF COLLATERAL TAKEN BY THE INSTITUTION

*(Article 453(c) of the CRR)*

With the aim of mitigating credit risk, the Group accepts all types of collateral that meet the minimum requirements for recognising the effects of collateral. The Group accepts different types of funded and unfunded credit protection.

The Group accepts collateral in accordance with the provisions of the Regulation on credit risk management at banks and savings banks. Other forms of funded and unfunded protection are also accepted as collateral for loans to corporates and sole traders if it is assessed that they can generate cash flow as a secondary source of repayment, if required, and that the conditions regarding the legal certainty and operational requirements of those instruments are met. If it is assessed that it is unlikely that any such collateral instrument will generate cash flow, the Group takes a conservative approach and does not accept it. The Group only accepts other forms of funded and unfunded protection if they meet the following minimum requirements for recognising the effects of collateral:

- legal certainty,
- quality, and
- operational requirements for efficient redemption.

The Group accepts the following forms of funded collateral:

- collateral in the form of commercial and residential immovable property,
- collateral in the form of movable property,
- collateral in the form of monetary claims,
- financial collateral (e.g. bank deposits, debt securities of various issuers, investment fund units, equities and pledged participating interests),



- the pledging or assignment of claims as collateral,
- the pledging of other assets (e.g. inventories), and
- other funded protection (e.g. life insurance policies and cash at other institutions).

The Group accepts the following forms of unfunded credit protection:

- joint and several guarantees provided by individuals and legal entities,
- bank guarantees and government scheme,
- guarantees of central governments, local governments and central banks, and
- insurance via an insurer.

Loans are frequently secured by a combination of the various types of collateral referred to above.

The Group strives to have the highest-quality collateral for its portfolio in the sense of an adequate LTV and legal certainty in the event of liquidation. The general recommendations with regard to the security of loans are set out by internal instructions. The decision with regard to the type of collateral and the LTV depends on analysis of information about the obligor (the obligor's credit rating and creditworthiness) and the maturity of the loan asset, and distinguishes between loans approved for retail customers and corporate customers. Legal persons and sole traders are required to submit a bill of exchange and declaration of surety for each loan when it has been approved.

The largest share of the Group's portfolio is secured by real estate, followed by insurance from insurers, sureties, bank deposits, movable property and guarantees. A small part of the portfolio is secured by other forms of collateral.

## 19.4 **MAIN TYPES OF GUARANTOR AND CREDIT DERIVATIVE COUNTERPARTY AND THEIR CREDITWORTHINESS**

*(Article 453(d) of the CRR)*

The Group accepts collateral in the form of sureties, guarantees and insurance via an insurer. The following are deemed eligible issuers of guarantees:

- central governments and central banks,
- regional governments or local authorities,
- multilateral development banks,
- international organisation, exposures to which are assigned a risk weight of 0% under the Standardised Approach,
- public sector entities, claims against which are treated as claims against central governments,
- export agencies and insurance companies, credit institutions and investment firms, and financial institutions, whose exposures to the financial institution (e.g. the Bank) are treated as exposures to institutions in accordance with Article 119(5) of the CRR,
- other companies, including those that are controlled by the institution, or subordinated to or associated with the institution in another way, and
- central counterparties.

The Group also accepts the following as issuers of guarantees:

- individuals, provided that the repayment capability of the respective guarantor is ensured, and
- sole traders, provided that the value of the respective guarantor's assets is sufficient to cover the obligations of the obligor.



Table 15: Major guarantors by type of guarantee

€000

**GUARANTEES**

Issuer	Internal credit rating	Amount	Breakdown
Banks	2-3	61,696	99.53%
	4	291	0.47%
<b>TOTAL</b>		<b>61,987</b>	<b>100.00%</b>

**SURETIES**

Issuer	Internal credit rating	Amount	Breakdown	
Central government	Slovenia	2	70,665	41.44%
	other countries	1	24,207	14.20%
Slovene Enterprise Fund		3	73,672	43.20%
Others (municipalities, funds, etc.)	1-2	24	0.01%	
	3-4	1,953	1.15%	
<b>TOTAL</b>		<b>170,521</b>	<b>100.00%</b>	

**INSURANCE WITH INSURER**

Issuer	Internal credit rating	Amount	Breakdown
Insurance corporation	1	539,473	99.96%
	13	200	0.04%
<b>TOTAL</b>		<b>539,673</b>	<b>100.00%</b>



## 19.5 INFORMATION ABOUT MARKET OR CREDIT RISK CONCENTRATIONS WITHIN THE CREDIT MITIGATION TAKEN

*(Article 453(e) of the CRR)*

In accordance with its policies, the Group approves loans, where expected cash flows represent the primary source of repayment, and collateral received represents a secondary source of payment and is used to a lesser extent in the event of default by obligor.

When monitoring large exposures, the Group monitors the concentration of credit risk that arises from unfunded sureties accepted as collateral.

The Group limits the amount of collateral in the form of sureties, where the amount of surety is included in the indirect exposure of the guarantor. That amount is weighted depending on the credit rating of the underlying obligor for whom the guarantor provides surety.

The Group monitors market risk concentration in the scope of accepted credit protection in terms of assessing the liquidity of securities received as collateral. With the support of expert departments, the Group assesses realisability and value adjustments due to reduced liquidity based on a comparison of normal turnover and the amount of securities received.

The Group monitors and reports on the value of collateral by individual type.

**Table 16:** Value of collateral by individual type

	Type of collateral	Amount, €000	Breakdown, %
1	Bank deposits	42,091	0.48%
2	Irrevocable Slovenian government guarantees	70,665	0.81%
3	Shares and participating interests	6,584	0.08%
4	Debt securities issued	31	0.00%
5	Units in collective investment undertakings	4,325	0.05%
6	Commercial immovable property	2,556,539	29.22%
7	Residential real estate	5,188,779	59.30%
8	Insurance company	539,673	6.17%
9	Other forms of collateral	341,754	3.91%
	<b>Total</b>	<b>8,750,441</b>	<b>100.00%</b>



**19.6 DISCLOSURE OF TOTAL EXPOSURE VALUE (AFTER ON- OR OFF-BALANCE-SHEET NETTING, WHERE APPLICABLE) THAT IS COVERED – AFTER THE APPLICATION OF VOLATILITY ADJUSTMENTS – BY ELIGIBLE FINANCIAL CREDIT PROTECTION, AND OTHER ELIGIBLE CREDIT PROTECTION, SEPARATELY FOR EACH EXPOSURE CLASS, WHEN INSTITUTIONS CALCULATE RISK-WEIGHTED EXPOSURE AMOUNTS UNDER THE STANDARDISED APPROACH OR THE IRB APPROACH, BUT DO NOT PROVIDE OWN ESTIMATES OF LGDS OR CONVERSION FACTORS IN RESPECT OF THE EXPOSURE CLASS**

*(Articles 453(f) and 453(g) of the CRR)*

Clarifications of the description of the eligible types of collateral taken by the institution are cited in Sections 19.1 to 19.5. For the purposes of calculating risk-weighted assets for credit risk, the Group had defined its eligible credit protection for credit risk mitigation in its internal methodology. It comprises:

**1. funded credit protection:**

- collateral in the form of commercial and residential immovable property
- financial collateral (e.g. bank deposits, debt securities of various issuers, equities)

**2. unfunded credit protection:**

- joint and several guarantees
- guarantees of investment-grade banks
- guarantees of central governments, local governments and central banks

The aforementioned credit protection is only considered eligible in the calculations of risk-weighted assets if it meets all the requirements of the relevant legislation. The Group uses the simple approach as a suitable risk-exposure mitigation technique.

The table below presents a breakdown of the gross carrying value of the exposures, excluding allowances/impairments, into secured/unsecured exposures and by type of credit protection.



**Template 53:** EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques for OTP Group Luxembourg

€000

		Unsecured carrying value	Secured carrying value	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	<i>Loans and advances</i>	5,804,918	3,618,285	3,501,363	116,923	0
2	<i>Debt securities</i>	5,387,799	34,051		34,051	0
<b>3</b>	<b>Total</b>	<b>11,192,717</b>	<b>3,652,336</b>	<b>3,501,363</b>	<b>150,974</b>	<b>0</b>
4	<i>Of which non-performing exposures</i>	87,812	46,462	44,029	2,434	0
EU-5	<i>Of which defaulted</i>	0	0	0	0	0

**Template 54:** EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques for OTP Group Slovenia

€000

		Unsecured carrying value	Secured carrying value	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	<i>Loans and advances</i>	5,804,469	3,618,285	3,501,363	116,923	0
2	<i>Debt securities</i>	5,387,799	34,051		34,051	0
<b>3</b>	<b>Total</b>	<b>11,192,268</b>	<b>3,652,336</b>	<b>3,501,363</b>	<b>150,974</b>	<b>0</b>
4	<i>Of which non-performing exposures</i>	87,812	46,462	44,029	2,434	0
EU-5	<i>Of which defaulted</i>	0	0	0	0	0



## 19.7 INSTITUTIONS CALCULATING RISK-WEIGHTED EXPOSURE AMOUNTS UNDER THE STANDARDISED APPROACH, THE VALUE OF ON- AND OFF-BALANCE-SHEET EXPOSURES BY EXPOSURE CATEGORY BEFORE AND AFTER APPLYING CORRESPONDING CONVERSION FACTOR AND THE CREDIT RISK MITIGATION ASSOCIATED WITH THE EXPOSURE, AND THE RISK-WEIGHTED EXPOSURE AMOUNT AND THE RATIO BETWEEN THAT RISK-WEIGHTED EXPOSURE AMOUNT AND THE EXPOSURE VALUE AFTER APPLYING THE CORRESPONDING CONVERSION FACTOR AND THE CREDIT RISK MITIGATION ASSOCIATED WITH THE EXPOSURE

(Article 453(h) and 453(i) of the CRR)

Template 55: EU CR4 – Standardised approach – Credit risk exposure and CRM effects for OTP Group Luxembourg

€000

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWA density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWA density (%)
1	Central governments or central banks	4,867,898	2,538	4,959,170	4,440	101,332	2%
2	Non-central government public sector entities	270,665	6,464	270,660	1,018	18,199	7%
2a	Regional governments or local authorities	250,515	171	250,515	0	12,280	5%
2b	Public sector entities	20,150	6,293	20,145	1,018	5,918	28%
3	Multilateral development banks	0	0	0	0	0	0%
3a	International organisations	255,144	0	255,144	0	0	0%
4	Institutions	1,205,672	17,364	1,208,859	21,489	334,214	27%
5	Covered bonds	350,576	0	350,576	0	68,383	20%
6	Corporates	2,441,506	2,454,174	2,370,359	759,332	2,904,785	93%
6.1	of which: specialised lending	1,032	0	1,032	0	1,022	99%
7	Subordinated debt exposures and equity	119,858	0	119,858	0	164,110	137%
7a	Subordinated debt exposures	88,504	0	88,504	0	132,755	150%
7b	Equity instruments	31,354	0	31,354	0	31,354	100%
8	Retail	2,241,271	659,771	2,240,576	45,273	1,630,526	71%
9	Secured by mortgages on immovable property and ADC exposures	2,920,230	342,758	2,899,694	120,384	1,452,334	48%
9.1	Secured by mortgages on residential immovable property – non-IPRE	1,897,402	13,415	1,897,372	4,607	502,421	26%
9.2	Secured by mortgages on residential immovable property – IPRE	215	0	189	0	43	23%
9.3	Secured by mortgages on commercial	718,395	226,204	718,335	74,867	552,069	70%



immovable property - non-IPRE							
9.4	Secured by mortgages on commercial immovable property - IPRE	182,650	0	177,916	0	177,613	100%
9.5	Acquisition, Development and Construction (ADC)	121,568	103,139	105,881	40,910	220,187	150%
10	Exposures in default	133,650	2,388	131,574	525	155,951	118%
10a	Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0%
10b	Collective investment undertakings	66,459	0	66,459	0	10,873	16%
10c	Other items	379,011	0	379,011	0	202,581	53%
11	not applicable						
<b>12</b>	<b>TOTAL</b>	<b>15,251,940</b>	<b>3,485,456</b>	<b>15,251,940</b>	<b>952,462</b>	<b>7,043,287</b>	<b>43%</b>

**Template 56: EU CR4 – Standardised approach – Credit risk exposure and CRM effects for OTP Group Slovenia**  
 €000

Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWA density		
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWA density (%)	
1	Central governments or central banks	4,867,898	2,538	4,959,170	4,440	101,332	2%
2	Non-central government public sector entities	270,665	6,464	270,660	1,018	18,199	7%
2a	Regional governments or local authorities	250,515	171	250,515	0	12,280	5%
2b	Public sector entities	20,150	6,293	20,145	1,018	5,918	28%
3	Multilateral development banks	0	0	0	0	0	0%
3a	International organisations	255,144	0	255,144	0	0	0%
4	Institutions	1,205,207	17,364	1,208,394	21,489	334,028	27%
5	Covered bonds	350,576	0	350,576	0	68,383	20%
6	Corporates	2,441,517	2,454,174	2,370,370	759,332	2,904,796	93%
6.1	of which: specialised lending	1,032	0	1,032	0	1,022	99%
7	Subordinated debt exposures and equity	119,858	0	119,858	0	164,110	137%
7a	Subordinated debt exposures	88,504	0	88,504	0	132,755	150%
7b	Equity instruments	31,354	0	31,354	0	31,354	100%
8	Retail	2,241,271	659,771	2,240,576	45,273	1,630,526	71%
9	Secured by mortgages on immovable property and ADC exposures	2,920,230	342,758	2,899,694	120,384	1,452,334	48%
9.1	Secured by mortgages on residential immovable property – non-IPRE	1,897,402	13,415	1,897,372	4,607	502,421	26%
9.2	Secured by mortgages on residential immovable property – IPRE	215	0	189	0	43	23%
9.3	Secured by mortgages on commercial immovable property – non-IPRE	718,395	226,204	718,335	74,867	552,069	70%
9.4	Secured by mortgages on commercial immovable property – IPRE	182,650	0	177,916	0	177,613	100%
9.5	Acquisition, Development and Construction (ADC)	121,568	103,139	105,881	40,910	220,187	150%
10	Exposures in default	133,650	2,388	131,574	525	155,951	118%
10a	Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0%
10b	Collective investment undertakings	66,459	0	66,459	0	10,873	16%
10c	Other items	383,325	0	383,325	0	206,895	54%
11	not applicable						
<b>12</b>	<b>TOTAL</b>	<b>15,255,799</b>	<b>3,485,456</b>	<b>15,255,799</b>	<b>952,462</b>	<b>7,047,425</b>	<b>43%</b>



## 20 **USE OF THE ADVANCED MEASUREMENT APPROACHES TO OPERATIONAL RISK**

*(Article 454 of the CRR)*

This disclosure is not relevant. OTP Group Slovenia uses the standardised measurement approach to operational risk in accordance with the applicable regulation.

## 21 **USE OF INTERNAL MARKET RISK MODELS**

*(Article 455 of the CRR)*

This disclosure is not relevant. OTP Group Slovenia does not use Internal Market Risk Models.



## 22 DISCLOSURES RELATING TO MACROECONOMIC CONDITIONS AND HARMONISATION IN THE SCOPE OF THE OTP GROUP

### Macroeconomic impacts of tariffs on the competitiveness of key export sectors

The introduction of broad-ranging tariffs has caused considerable uncertainty in the international business environment. As a result, many companies around the world have deferred investments and strategic decisions in the expectation that clearer trade policies will emerge at some point. These measures have also caused major disruptions to global trade. Slovenia is firmly embedded in international commercial flows, particularly within the single European market, which means that it is not only domestic factors, but global stability and conditions that affect its economic success, chiefly in the key industry clusters, such as automotive, metal and chemicals. In July, the European Union and the United States reached an agreement on the key elements of their trade relations following several months of uncertainty regarding tariff levels. The agreement set a single upper limit for US tariffs of 15% for goods from the EU, while maintaining increased sectoral tariffs of up to 50% on steel, aluminium and copper.

These measures had a direct impact on export-oriented sectors, particularly the automotive industry, which was already seeing a fall in demand and production difficulties in 2024. In 2025, the metal industry saw a marked contraction in production and a protracted fall in orders as a result of weak demand in foreign markets, the rising costs of energy and raw materials, and strong competition from Asia. In addition, stricter environmental legislation and pressure on the transition to sustainable forms of production are further reducing the competitiveness of European companies. This, in turn, is threatening the existence of the sector and jobs in Slovenia. The Group is carefully assessing the risks that could lead to a deterioration in its customers' financial position in the near future.

### Management of credit risk in uncertain macroeconomic and geopolitical conditions

Given Slovenia's close connection to the EU macroeconomic environment, the Group has identified the economic sectors and clients that are more sensitive to this situation, and has conducted a series of analyses, including of:

- the potential impact of events in the European automotive industry on the corporate portfolio;
- the effects of disruptions to international trade (rising tariffs and protectionist measures), the quality of the Bank's portfolio in various sectors, taking into account key risk indicators (such as share of non-performing loans, subprime rating portfolio, portfolio with early warning indicators, share of the restructured portfolio).

Owing to the high degree of uncertainty, the Group has:

- established the regular monitoring of sectors assessed as being directly affected by tariffs (i.e. the automotive, metal and chemical industries);
- incorporated those sectors into a process of collective impairment and transferred some companies from the at-risk sectors to Group 2 under IFRS 9;
- set additional criteria for assessing risks in the approval process.

The Group strengthened in particular the following activities for better credit risk management under current conditions:

- the preparation of ad hoc macroeconomic analyses;
- optimisation of the process for the timely acquisition of data and therefore analyses;
- monitoring of borrowers' key financial and operating indicators in the EWS process;
- setting acceptable limits for key risk indicators at the portfolio and sub-portfolio levels and monitoring them;
- expansion of the limit system at the sub-portfolio level;
- proactive engagement with individual borrowers;
- regular monitoring of individual borrowers;



- identification of activities and sub-portfolios where increased risk is detected or indications of increased risk in the near future exist;
- conducting stress tests to assess impact on the portfolio.

### **Harmonisation in the scope of the OTP Group**

In the scope of the merger, the Group carried out the comprehensive harmonisation of operations within the OTP Group, including in the area of credit risk management. A new organisational structure was established back in 2024 for that purpose. That structure is based on contemporary professional guidelines and is fully aligned with the standards and guidelines of the parent OTP Group. In 2025, the Group continued the intensive harmonisation of key processes, and successfully introduced uniform credit risk management standards, methodologies and rules in accordance with the parent OTP Group's practices. The most important milestones during this period included the implementation of a new PD model for the retail segment and the introduction of a model for assessing physical ESG risks. In that context, the Bank began the extensive training of employees in the use of modern data management and report compilation tools that will play a key role in the further development of credit risk management.

All planned activities were successfully completed in 2025 to bring the Group's credit risk management fully into line with the requirements and strategic policies of the OTP Group. Additional employee training was also organised and the operating culture further strengthened, which together represent a sound foundation for effective, transparent and consistent credit risk management in the future.



## 23 DISCLOSURES IN CONNECTION WITH MANAGEMENT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

Disclaimer: In line with the no-action letter issued by EBA related to the enforcement of collection of ESG templates under the Commission's Implementing Regulation (EU) 2024/3172, for institutions brought under the scope of Article 449a CRR in 2025 (including OTP Group Slovenia) the Group publishes the content in this chapter relating to the management of environmental, social and governance risks for the purpose of transparency, on a voluntary basis.

### 23.1 BUSINESS STRATEGY AND PROCESSES

#### a) Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning

The Group in 2025 has kept following its adopted **ESG strategy**, which was upgraded at the end of 2023 and represents its decisive and responsible answer to increasingly urgent questions as to what type of world we want to live in and leave for future generations. Our ESG strategy is based on **forward-looking ESG principles**, as detailed below. These principles cover, among other things, the Group's commitment to finance the transition towards a low-carbon economy and adapt its investment and loan portfolio to one which is aligned with the decarbonisation efforts of Slovenia and the EU, the intention to remain a socially responsible institution contributing to the development of the broader social and economic environment, and to meeting the highest corporate governance and compliance standards.

#### ENVIRONMENTAL PRINCIPLES

- The Group recognises that its **business environment is being and will be impacted by climate change**. Climate change will also impact the physical and macroeconomic environment in which the Group operates. The **transition to a low-carbon** or carbon-neutral economy brings with it **risks and opportunities for the Bank** (and other financial institutions). The Bank recognises both **physical climate change and transition risk as material drivers of its overall risk profile**.
- The Group operates in an EU Member State. The EU is committed to a reduction of 55% in its GHG emissions from 1990 levels by 2030. The European Green Deal has committed to making Europe a climate neutral continent by 2050. Slovenia has made its own commitments in support of the EU's binding commitments (the updated Integrated National Energy and Climate Plan of Slovenia has been adopted in December 2024).<sup>2</sup>
- European authorities including the ECB expect the financial sector to play a key role in this process, and the European Commission has stipulated likewise in the action plan for financing sustainable growth.
- The **Group** is fully informed of these **plans**, and **uses them** in the preparation of its **business objectives**.
- The Group is taking action over the short term and medium term to adapt its current investment and loan portfolio to be aligned with the EU's nationally determined contributions to decarbonise the economy, thereby reducing its exposure to climate risks and transition risk over time.
- The Group is taking action over the short term and medium term to strengthen its commitment to financing the transition to a low-carbon or carbon-neutral economy.
- The Group is taking action over the short term and medium term to **further reduce its Scope 1 and Scope 2 emissions**, while recognising the progress already made in this respect.

<sup>2</sup> ETS sector: in accordance with Directive (EU) 2023/959. Non-ETS sector: Regulation (EU) 2023/857.



## SOCIAL PRINCIPLES

- The Group will remain a socially responsible institution, and will continue to build sustainable, open and proactive relations with all stakeholders: employees, customers, business partners and others. Our aim is to contribute to the development of the broader social and economic environment in which we operate.
- We will continue supporting national, regional and local communities as a **partner, sponsor or donor** in events, projects and initiatives. We will continue with **awareness programmes** in the areas of financial literacy, which includes providing knowledge about banking products and services, responsible investing and lending, digital literacy, safe banking, fraud prevention, and security in online commerce.
- We will continue to build an inclusive work environment that promotes equality and diversity, and that prioritises employee wellbeing.

## GOVERNANCE PRINCIPLES

- The Group remains committed to meeting the highest corporate governance and compliance standards. We have codified our shared values, the foundation of our ethical standards and our rules of conduct into a code of conduct, which is the primary building block of our corporate culture.
- We will continue acting with full transparency and the highest level of integrity, and will maintain a zero-tolerance policy towards any kind of corruption in all our business relationships and transactions.

### Key initiatives defined under the ESG strategy are as follows:

1. Environmentally sustainable growth
  - 1.1. Sustainable portfolio – align corporate, retail and treasury portfolios to Paris Agreement aligned targets
  - 1.2. Climate, environmental and social risk framework – continuously improve ESG risk management framework & processes; assess and monitor ESG risks, its impact on our business environment and integrate them in our business strategy; enhance ESG risk management in credit risk management & portfolio analysis
  - 1.3. Sustainable operations - reduce our impact: decrease scope 1, 2, and 3 emissions from own operations; source only from ESG compliant vendors
2. Social sustainability
  - 2.1. Social responsibility & alliances - support ESG topics through partnerships, donations, sponsorships & charities; boost financial literacy; engage with and take active role in various associations that push forward the ESG transformation
  - 2.2. Corporate culture, employee well-being and diversity - strive for greater employee commitment and improvements to the organizational culture; promote inclusion & equal opportunity; provide for employee well-being
3. Robust ESG governance
  - 3.1. ESG data governance - secure accessible and reliable use of the ESG data
  - 3.2. ESG governance and organization - ensure effective governance structure for dealing with ESG topics; incorporate ESG in internal policies & procedure; build up ESG culture & competence across the organization
  - 3.3. Regulatory compliance and reporting - continuously improve ESG governance, risk management framework and methodologies to comply with ECB's requirements; apply green lending standards; ensure compliance with all disclosure requirements

Building on its adopted Business Strategy, the C&E risk materiality assessment and the business environment scan performed at the end of 2024, furthermore the Double Materiality Assessment of OTP Group, an updated Sustainability Strategy for OTP Group Slovenia has been prepared and is currently under internal approvals. The new strategy closely follows the directions laid down in the previous one. The green financing strategy of the corporate segment has already been included in the updated Business Strategy, with an ultimate target of reaching €500 million of green financing in the corporate segment by 2030, tripling the current portfolio. Based on the updated Sustainability Strategy, the Bank will keep the ultimate objectives of aligning its financing portfolios with Paris Agreement aligned targets and supporting the green transition of the economy, while also defining further targets regarding the Bank's own operations, aligned with OTP Group's methodologies and directions (this target setting is envisaged to be done in 2026).



**b) Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes**

To support its ESG agenda, the Bank has had an **ESG KPI dashboard** in place, covering key targets related to our environmental aspirations (like green financing provided or decarbonisation of the portfolio, greenhouse gas emissions associated with our own operations), employee satisfaction and diversity. The KPIs are monitored according to clearly defined internal governance rules.

We are delighted to report the progress made in 2025 in connection with our ESG KPIs. Our green and transition enabling portfolio, reached €308 million at the end of 2025, exceeding the target defined in our ESG strategy, and showing a robust increase from 2024. Our portfolio is mostly comprised of financing energy efficient buildings, sustainable transportation and the energy sector. Out of this, €224 million is considered to be green investments (in line with the definitions applied across OTP Group), which is close to two times of our portfolio at the end of 2024 (€122 million). We consider this to be solid progress, and we are dedicated to financing more green projects in the years to come and supporting our clients in their transitions. We also placed great emphasis – and will continue to do so – on exploring ways to engage with and best support our customers in their transition.

In 2025 we stayed on track to reach the **GHG emission intensity targets of our financed business loan and investment portfolio** (Scope 1 and Scope 2 financed emissions, targets defined for 2025 and 2030). In the course of 2025, as planned, we have revised the financed intensity KPI and extended it to cover a longer time horizon, covering up until 2040, as defined by the (prudential) Transition Plan of OTP Group Slovenia, that has been adopted in January 2026, in line with the requirements of CRD 6 and the EBA Guidelines on the management of ESG risks (see point d) below.

In our investment portfolio, we also remained above the defined target for the share of green bonds, which now comprise 8% of our ALM bond portfolio.

We assumed no new exposure towards industries which we consider harmful based on environmental or social considerations (among others certain fishing activities, the mining of hard coal or lignite, growing of tobacco or manufacturing of tobacco products), furthermore, as part of the OTP Group's harmonisation activities, we even extended our exclusion list to certain other activities, in line with the group approach (for example, the exploration of shale gas or manufacturing of articles made of fur).

In terms of our own operations, we continued reducing our Scope 1 and Scope 2 greenhouse gas emissions and achieved better results in this respect than planned. In 2025, the bank installed solar panels on two central buildings in Maribor – expected to provide jointly yearly over 200 MWh of green electricity.

We also delivered on our gender diversity targets defined, both on the level of governance bodies, and on the level of most senior employees of the Bank.



Table 17: Overview of key ESG KPIs' realization in 2025

ESG KPI	2025 target	2025 performance
<b>Green and sustainable financing</b>		
<p><b>Green and transition-enabling loans</b></p> <p>Corporate green loans are defined in accordance with OTP Group's green definitions as described by the Sustainable Finance Framework of the OTP Group and the Green Capital Relief Program of the Central Bank of Hungary.</p> <p>Retail green loans are aligned with Technical Screen Criteria of the EU Taxonomy for substantial contribution (the bank currently only considers mortgage loans).</p> <p>Transition-enabling loans are purposed loans, either with transition commitments by the clients (reductions in emissions, energy usage, water usage, etc); or real estate projects with EPC A class, but are not meeting all the technical screening criteria of green loans. In the retail segment, they are defined based on clear product criteria (sustainable housing loan with insurance and cash loans offered by the bank).</p>	<p>€260 million (of which green loans: €173 million)</p>	<p>At the end of 2025, we had <b>€308 million of financing provided to our clients to support the sustainable transition</b>, mostly in the energy, real estate development and transportation sectors, significantly surpassing the target defined.</p> <p><b>Of this, €224 million has been green financing in line with OTP Group's frameworks.</b></p>
<b>Share of green bonds in the investment portfolio<sup>3</sup></b>	>= 5%	The Bank has set a goal to keep its share of investment in green bonds at over 5% in 2025, a level which has been exceeded and <b>stood at 8%</b> .
<b>Risk management – portfolio resilience</b>		
<b>GHG emission intensity of the financed portfolio – business loans and investments</b> (Scope 1 and Scope 2 financed emissions)	<b>Reduce the emission intensity of the financed portfolio</b> – targets defined for 2025 and 2030 <sup>4</sup>	In 2025 our portfolio's financed GHG emission intensity has been <b>well below</b> the target defined for 2025. See details below under "Carbon footprint of our portfolio".
<b>Excluded industries</b>	<b>No new exposure to excluded industries</b>	<b>No new exposure was assumed</b> with regard to excluded industries in 2025.
<b>Operational efficiency</b>		
<b>Optimisation of the Bank's own carbon footprint: Scope 1 and Scope 2 GHG emissions (market based, excl. fugitive emissions)</b>	<b>Reduced by at least 26%</b> (on a 2022 baseline)	In 2025 the emissions from our own operations (S1 and S2, excl. fugitive emissions) were <b>30% below the 2022 baseline</b> , meaning we managed to decrease our omissions more than planned <sup>5</sup> .
<b>Diversity and inclusion</b>		
<b>Gender diversity rate (Supervisory Board &amp; Management Board)</b>	> 33%	<b>36%</b> of SB and MB members have been from the underrepresented gender at the end of 2025.
<b>Gender diversity rate (B-1 directors and identified staff excl. Supervisory Board &amp; Management Board<sup>1</sup>)</b>	> 45%	The gender diversity rate reached <b>54%</b> at the end of 2025 – measured for B-1 directors and identified staff, in line with the target defined.

In addition to the KPIs, ESG risk management related, granular limits (KRIs) are also defined and monitored, as discussed in section o) below.

<sup>3</sup> Green bonds which are issued in line with the Green Bond Principles from the International Capital Market Association (ICMA).

<sup>4</sup> Targets have been revised and prolonged until 2040 with the Transition Plan, approved in January 2026

<sup>5</sup> Scope 1 total: 933 tCO<sub>2</sub>e; Scope 1 excluding fugitive emissions: 897 tCO<sub>2</sub>e; Scope2 market based: 1.326 tCO<sub>2</sub>e. Data presented in based on a report prepared by and external service provider, Bureau Veritas.



**c) Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities**

**Sustainable product offering**

We recognise that as one of the largest banking institutions in Slovenia, the Bank plays a key role in financing the sustainable growth of the Slovenian economy, and we aim to support the transition to a low-carbon economy. Through sustainable financing and other solutions, we aim to help Slovenian companies and individuals in their **transition to more environmentally friendly, sustainable operations**. To this end, the Bank offers a wide range of sustainable products to its clients.

**For households**, the Bank offers sustainable loans, providing financing for green mobility (bicycles, e-bikes and electric cars) and energy efficiency (energy-efficient appliances and renewable energy usage). The Bank also offers housing loans with preferential rates for the purchase of energy-efficient real estate. Further details on the products offered are available on our website:

<https://www.otpbanka.si/sustainable-loans>.

For our **corporate clients**, we offer financing solutions focusing on energy efficient buildings, renewable energy solutions and energy efficiency in general, as well as clean transportation. The Bank is thus providing green financing to its customers in line with the frameworks of OTP Group: the Sustainable Finance Framework and the Green Capital Relief Program of the Central Bank of Hungary (Magyar Nemzeti Bank).

**Green financing**

At the end of 2025, OTP Group Slovenia's financing provided to green and transition-enabling investments reached €308 million, exceeding the target defined in our ESG strategy. Our portfolio is mostly comprised of financing energy efficient buildings, sustainable transportation and the energy sector. Out of this, €224 million is considered to be green investments (in line with the definitions applied across OTP Group).

**Sustainable investments**

The Bank has set a goal to keep its share of investment in green bonds at over 5%, a level which has been exceeded in 2025 and stood at 8%. The Bank in line with its Investment Strategy intends to keep this ratio for 2026 as well, and seeks investments if possible in corporate green bonds to support the transition of the real economy.

**d) Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks**

**Lending Policy to corporate and financial market customers**

In its lending policy to corporate and financial market customers the Bank has set out general guidance and rules for approving investments depending on the assessed ESG risk of the customer (determined on the basis of an individual approach), and has defined the powers to decide on investments depending on the assessed ESG risk of the customer.

The Bank is currently focusing its attention primarily on the risk of climate-related and environmental factors (E) at customers active in carbon-intensive industries, for which reason the policy sets out detailed rules and guidance for customers in these industries. The Bank's exposure to carbon-intensive industries is monitored within the framework of monthly portfolio reviews, and also through the key risk indicators (KRIs) in connection with the customer's ESG risk and score.

In its ESG strategy, the Bank also takes into account the EU's commitments to reduce greenhouse gas emissions and the nationally determined contributions resulting from this intention for Slovenia. Accordingly, it is committed to take measures to adjust its portfolio in line with these commitments. To this end, the Bank has defined industries (Electricity generation from non-renewable sources, Steel, Aluminium and Cement production) and GHG emission benchmarks for clients in these industries and rules, which the Bank must take into account when approving transactions.

The Bank generally approves investments for customers with low, medium and medium-high ESG risk, but is very limited in approving investments for customers with high ESG risk. For customers registered as or *de facto* pursuing activities defined as excluded industries under the ESG criteria, the Bank only approves investments in exceptional cases, and decisions on investments of this kind are within the highest decision authority of the bank (the Credit Committee).



## Transition plan

In the second half of 2025, in line with the EBA Guidelines on the management of ESG risks (EBA/GL/2025/01) (and CRD6) the Group has prepared its prudential transition plan, intended to ensure resilience of the Group to the risks arising from the transition to a low-carbon economy. For the domestic corporate and international lending portfolios, the plan introduces client climate engagement assessment as an additional review of clients in economic sectors identified as most relevant from a transition risk perspective. It includes engagement with domestic clients with the aim to better understand and where appropriate, facilitate their transition efforts. The process is being implemented started 2026.

## 23.2 GOVERNANCE

### e) Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels

The Management Board is expected to consider climate-related and environmental risks and opportunities when developing the institution's overall business strategy, business objectives and risk management framework and to exercise effective oversight of climate-related and environmental risks. The Management Board shall ensure that ESG management has the appropriate authorizations and influence to carry out this function as well as sufficient human and financial resources for effective risk identification. To this end, the appropriate communication channels shall be provided for, based on which all employees of the Bank at all levels may be informed of and familiarized with the requirements. All Management Board members are responsible for driving ESG initiatives and topics concerning their areas of responsibility.

All Level 1 and 2 bylaws (strategies, policies and rulebooks), including bylaws of relevance to ESG, are approved by the Management Board. The Climate Change and Sustainability Committee shall be informed on all substantial changes on ESG related internal documents.

The Supervisory Board is responsible for approving the Group's ESG Strategy and supervising of the effectiveness of the functioning of the three lines model. The Supervisory Board and the Management Board are expected to consider the knowledge, skills and experience of its members in the area of climate-related and environmental risk in its assessment of the collective suitability of such members.

The Bank incorporates relevant ESG risks and risk drivers into existing risk types rather than treating them as a singular and standalone ESG risk type and thus they are an integrated part of the established risk management processes as well as governance arrangements. The bank has established various committees for managing specific types of risk. Their competences and responsibilities are defined in separate rules of procedures, and also discussed in the chapter 2.2 General information regarding risk management objectives and policies of this document.

### f) Internal governance arrangements for environmental risks, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body

In 2025 the bank has opted for a two-level committee structure on ESG matters. The highest level dedicated committee is the **Client Excellence (CX) & ESG Committee**, that comprises all members of the Management Board. Its mission is to ensure comprehensive implementation of the ESG strategy across the entire organization, and to make the most of the potential brought by business opportunities arising from the ESG transformation, including identifying and managing climate-related risks and opportunities.

The CX&ESG Committee has first met in Q4 2025 (discussing amongst others KPIs and KRIs, green lending pipeline, implementation status of the EBA guidelines on ESG risk management), and on one dedicated session in January 2026 to discuss and approve the transition plan.

Besides the CX&ESG Committee, the **Climate Change and Sustainability (CC&S) Committee** has remained as an expert committee, responsible for the operative implementation of the ESG strategy and related tasks, amongst others monitoring the performance of set goals and targets, discussing ESG relevant regulatory and supervisory expectations, guiding relevant ESG policies and overseeing their implementation. On important issues it is reporting to the Customer Excellence & ESG (CX&ESG) Committee. Members of CC&S Committee are relevant Directors (employees) of the bank and SKB Leasing.



The CC&S Committee met has five times (two before the establishment of CX&ESG committee) and three times with new composition. At the session the CC&S Committee discussed among other the ESG action plan of the Group, reviewed KPIs and KRIs and green lending pipelines, adjustments to the sustainable retail product offering, discussed the transition plan of OTP Group Slovenia, CSRD reporting obligations of the bank, OTP Group initiatives and developments in regulatory and supervisory expectations.

The Bank is organized in accordance with the three lines model, which enables comprehensive and effective risk management and clearly sets the responsibilities of individual levels and organizational parts of the Bank in connection with risk management and internal controls.

The first line is accountable for the effective management of ESG risks within the individual business units including the correct embedding of ESG risks into the operational activities of the institution. The first line is expected to identify, assess and monitor any climate-related and environmental risks relevant for the creditworthiness and the scoring/rating of a client, as well as to conduct proper due diligence on climate-related and environmental risks.

The second line in terms of ESG risk management is comprised of the Risk Management function and the Compliance function. Risk Management has the objective to identify, measure, and regulate the different risk types, provide the necessary reports and take part in the development of the risk management strategy and the adoption of risk management decisions. They are responsible for including ESG drivers into existing risk types and manage them accordingly. Compliance function is monitoring and overseeing the Bank's activities of ensuring compliance with relevant and applicable ESG requirements and regulations.

Internal audit as the third line provides independent assurance regarding the first line (business/operational units), the second line (support and monitoring functions like compliance, risk management) and on how the first and second line operate together in managing the banks opportunities and risks. They regularly conduct ESG focused internal audits.

The ESG Sector is responsible for coordinating all ESG activities based on the ESG strategy, the adopted action plan and other regulatory requirements and expectations. It is a main point of contact for all lines in three lines model for all ESG-related matters. It acts as advisor to the different members of the first- and second lines on ESG requirements. In February 2026, the ESG unit has become part of the newly established Corporate Strategy and Transformation Sector, that has been established with the aim to drive the implementation of the Group's 2030 strategy, with its responsibilities unchanged.

#### **g) Lines of reporting and frequency of reporting relating to environmental risk**

ESG KPIs and KRIs are reported to both the Climate Change and Sustainability, as well as the CX&ESG Committee regularly, at least on a quarterly basis.

Climate and environmental risks are furthermore monitored separately for all relevant risk types according to established internal processes and governance arrangements. They are also monitored as part of the monthly risk management report of the bank (including ESG risk factors in market and liquidity risks, portfolio GHG emissions overview, portfolio distribution across different ESG risk categories, portfolio KPIs and KRIs), which report is discussed by the Management Board.

#### **h) Alignment of the remuneration policy with institution's environmental risk-related objectives**

OTP banka's remuneration policy is consistent with the objectives of the Group's business and risk management strategy, including those related to environmental, social and governance risk, corporate culture and values, the long-term interests of the Group, and the measures used to avoid conflicts of interest. The pay-out process for variable remuneration is based on the Performance Assessment Criteria for the relevant year. The criteria are based on the Group's strategic objectives, which incorporate the ESG strategy. This in practice means that ESG related performance targets are included in the performance scorecards for all employees in the Bank, including members of the Management Board. Realisation of these targets impacts the variable pay of the employees.

## **23.3 RISK MANAGEMENT**

#### **i) Description of how the short-, medium- and long-term effects of environmental factors and risks are integrated in the risk framework**

The Group includes environmental, social and governance risks (ESG risks) in the Group's risk inventory, which are assessed through the integration in other risk types, rather than being treated as a standalone risk type, and then through threats and controls in the risk profile assessment process. Additional details on the overall risk assessment process is provided in chapter 2.2.1.



The Group has invested a significant amount of effort in the establishment of the framework for the identification and assessment of Climate and environmental (C&E) risk drivers in the scope of the ICAAP / ILAAP. The Group has established a "Climate and Environmental Risk Management Methodology of OTP Group Slovenia", defined relevant time horizons, established a register of C&E risk drivers, mapped their relevance to individual risk types and has prepared a materiality assessment of C&E risk drivers.

Since its initial design, the a "Climate and Environmental Risk Management Methodology of OTP Group Slovenia" has been continuously upgraded. In 2025, improvements included a detailed definition of the approach used to determine mitigation measures for material risk drivers, an upgrade of roles and responsibilities and additional minor refinements. In Q1 2026, the methodology was updated by extending the time horizons to include also periods beyond 10 years and by transitioning from a three-grade to a four-grade assessment scale for probability, severity, impact, and materiality. As of Q1 2026, the defined time horizons relevant for the management and use in its assessments and analyses of C&E risks are as follows:

- the short term, covering a period of up to and including one year,
- the medium term, covering a period of above one to less than ten years,
- the long term, covering a period of ten years and beyond.

In defining the time horizons, the Group has taken into account the definitions and requirements of the CRD, CSRD and the European Sustainability reporting standards (ESRS), the EBA Guidelines on the management of ESG risks, the ECB's Guide on climate-related and environmental risks, and the ECB's compendium 'Good practices for climate-related and environmental risk management (observations from the 2022 thematic review)'.

The Group carried out the first cycle of the materiality assessment of identified C&E risk drivers in the beginning of 2024, while over the course of Q4 2024 and Q1 2025 it has upgraded its assessment approach by performing an assessment on the individual risk type level. In Q1 2026, the Group performed the third cycle of materiality assessment of identified C&E risk drivers, taking into account the extended time horizons and the four-grade assessment scale. Out of the total 38 risk types in the Group's 2025 risk inventory, physical risk drivers are relevant for 22 risk types, while transition risk drivers are relevant for 18 risk types. The Group has identified 28 individual physical risk drivers and 17 transitional risk drivers. The list of risk drivers is not exhaustive, and the Group regularly reviews and updates it as it obtains more information and gains more experience, in line with the established process of risk identification as outlined in chapter 2.2.1.

Given the scarcity of available data, particularly for transition risk drivers, and the fact that approaches and methodologies for the assessment of probabilities, severities and impacts of various C&E risk drivers in general are still in their infancy due to their complex nature and the period of time that they are expected to materialize, the materiality assessment has been performed on a best-efforts basis and includes a significant amount of subjective assessments, which in some cases cannot be fully supported by arguments due to the Group's lack of expertise in this area. Nonetheless, the Group considers the outcome of the materiality assessment to be sufficient to understand its exposure to these risk drivers and to take actions to appropriately mitigate them.

#### **j) Definitions, methodologies and international standards on which the environmental risk management framework is based**

Environmental, Social or Governance (ESG) risks are broadly defined as the risks of negative materialisation of ESG factors. ESG risks are related to the probability and severity of harmful consequences or expected losses caused by complex interactions between hazards and vulnerability.

The Bank defines ESG risk in line with Article 4 (52d-i) of CRR III (May 2024) as the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of ESG factors on the Group's counterparties or invested assets.

'Environmental risk' (used interchangeably with 'C&E', climate and environmental) means the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of environmental/nature-related factors on the Group's counterparties or invested assets, including factors related to the transition towards the following environmental objectives:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and protection of water and marine resources;
- the transition to a circular economy;



- pollution prevention and control;
- the protection and restoration of biodiversity and ecosystems.

C&E risk includes both physical risk and transition risk, which are defined as follows:

- Physical risk, as part of the overall environmental risk, means the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of the physical effects of environmental factors on the Group's counterparties or invested assets.
- Transition risk, as part of the overall environmental risk, means the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of the transition of business activities and sectors to an environmentally sustainable economy on the Group's counterparties or invested assets.

'Social risk' means the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of social factors on its counterparties or invested assets.

'Governance risk' means the risk of losses arising from any negative financial impact on the Group stemming from the current or prospective impacts of governance factors on the Group's counterparties or invested assets.

**k) Processes and tools to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels**

The Group has identified ESG risks as material to its business environment and its business model. The assessment of exposure to ESG risks and ESG risk drivers is a continual process, for which reason the Group will continue to define ESG risk drivers, incorporating them into the existing risks.

The Bank has in place an ESG strategy and an ESG policy, and has incorporated ESG risk management into the relevant strategies, policies and methodologies for managing individual types of risk where the assessment is that ESG risk drivers arise. The management of ESG risks and risk drivers has also been incorporated into the ICAAP and ILAAP framework. The Bank continually improves the management and integration of ESG risks and risk drivers in its internal processes and bylaws. The latest development in 2025 has been the development of the first version of the Group's (prudential) transition plan, intended to ensure resilience of the Group to the risks arising from the transition to a low-carbon economy.

**C&E risk materiality assessment**

As outlined in the preceding points, the Group performs the materiality assessment of climate and environmental risk drivers across individual risk types. For each risk driver the approach is based on the assessment of:

- (1) probability, on the basis of internally developed quantitative approach for certain risk drivers or heat maps where available, or on the basis of its own expert judgment,
- (2) severity, on the basis of internally developed quantitative approach for certain risk drivers or its own expert judgment,
- (3) impact, by means of quantitative analysis of the risk driver's impact on portfolios or indicators where possible, or on the basis of its own expert judgement,
- (4) materiality, which is a combination of the three aforementioned measures.

Given the lack of quantitative data, and thus approaches, it is not possible to conduct a quantitative assessment of the above measures for all risk drivers. A subjective professional judgment is consequently required in certain cases. On this basis, and with the aim of ensuring that the final materiality assessments of the individual C&E risk drivers are standardised and comparable, the Group converts all materiality assessments (including the individual measures cited above) to a standardised scale of low, medium, medium-high and high.

The overall conclusion of the materiality assessment of C&E risk drivers indicates that the Group is not materially exposed to physical risk drivers as the majority are assessed as low materiality over the short (up to and including 1 year) and medium term (above 1 and below 10 years). Over the long term (10 years and beyond) close to two thirds of physical risk drivers across the relevant risk types are assessed as having medium materiality, which is expected given the longer time horizon. The Group attributes this relatively low exposure to physical risk drivers to the following factors:

- favourable geographical position of Slovenia, with a relatively mild climate, a relatively low number of extreme weather events, and rich flora and fauna;



- strict legislation and rules protecting the environment and the population.

**Table 18: Overview of the physical risk driver probability and severity assessment\***

	Probability of physical risk drivers			Severity of physical risk drivers		
	Short term (<=1 year)	Medium term (1-10 years)	Long term (>=10 years)	Short term (<=1 year)	Medium term (1-10 years)	Long term (>=10 years)
Low	86%	54%	29%	82%	79%	43%
Medium	14%	46%	29%	18%	11%	46%
Medium-high	0%	0%	25%	0%	11%	0%
High	0%	0%	18%	0%	0%	11%

\* In Q1 2026, the definition of time horizons was adjusted and the assessment scale transitioned from a three-grade to a four-grade scale. The results are therefore not directly comparable with past assessment scores.

Given that not all risk drivers are relevant for all risk types, the materiality assessment results for individual risk types cannot be easily aggregated into a single materiality assessment. As a way of potential aggregation, the Group has assigned the following values to the low, medium, medium-high and high scale:

- low = 1,
- medium = 2,
- medium-high = 3,
- high = 4.

Using these values and simple averaging across all relevant risk types, the Group has arrived at combined impact and materiality scores across different time horizons, which are presented in the table below. As can be seen from the table, the average assessed impact of the physical risk drivers is 1,04-1,011, which translates into a low combined impact. On the other hand, the average materiality assessment increases over time, from low (1,22) in the short term to medium (1,99) over the long term.

**Table 19: Average score of impact and materiality of physical risk drivers\***

	Short term (<=1 year)	Medium term (>1 and <10 years)	Long term (>=10 years)
<b>Impact average score</b>	1.05	1.04	1.11
<b>Materiality average score</b>	1.22	1.40	1.99

\* In Q1 2026, the definition of time horizons was adjusted and the assessment scale transitioned from a three-grade to a four-grade scale. The results are therefore not directly comparable with past assessment scores.

The materiality assessment of the transitional risk drivers indicates that the Group is exposed to these somewhat more than to physical risk drivers, particularly over the medium and long term. That is, while over the short term (up to and including 1 year) 68% of risk drivers across relevant risk types are assessed as low materiality, almost all risk drivers across relevant risk types have medium materiality (98%). Over the long term, their materiality is mostly assessed as medium (61%) or medium-high (37%). The Group attributes this to the fact that the majority of these medium and medium-high materiality transitional risk drivers relate to the ever-stricter regulatory environment and requirements, which the Group sees as significant not only in its own operations but also in the operations of its clients. In addition, risk drivers relating to the greenhouse gas (GHG) emissions and decarbonization are seen as increasingly significant over the long term.

The Group sees significant exposure of Slovenia and Slovenian corporates to these transitional risk drivers due to the energy mix of the country and the industry structure of the economy. Given that these drivers primarily manifest in the credit risk, the Bank sees a client's exposure to these transition risk drivers as becoming one of the key elements of corporate client acceptance and monitoring, both in the domestic and in the international lending and investment portfolios.

Similar to physical risk drivers, the table below provides an overview of the probability and severity assessment of transitional risk drivers. These two measures are assumed to be independent of the risk type and are, thus, the same for all risk types. As it can be clearly seen, both the probability and severity are time dependent, so the proportion of higher probability and severity risk drivers increases as the period shifts from short term to long term.



**Table 20:** Overview of the transitional risk driver probability and severity assessment\*

	Probability of transition risk drivers			Severity of transition risk drivers		
	Short term (<=1 year)	Medium term (1-10 years)	Long term (>=10 years)	Short term (<=1 year)	Medium term (1-10 years)	Long term (>=10 years)
Low	65%	0%	0%	53%	6%	6%
Medium	35%	53%	12%	41%	88%	71%
Medium-high	0%	47%	53%	6%	6%	0%
High	0%	0%	35%	0%	0%	24%

\* In Q1 2026, the definition of time horizons was adjusted and the assessment scale transitioned from a three-grade to a four-grade scale. The results are therefore not directly comparable with past assessment scores.

Using a similar aggregation approach for transitional risk drivers, as mentioned above for physical risk drivers, the Group has arrived at combined impact and materiality scores across different time horizons, which are presented in the table below. As can be seen from the table, the average assessed impact of the transitional risk drivers increases from 1,18 in the short term to 1,51 in the long term. Nonetheless, the combined impact remains low. On the other hand, the average materiality assessment increases over time, from low (1,32) in the short term to medium (2,38) over the long term.

**Table 21:** Average score of impact and materiality of transitional risk drivers\*

	Short term (<=1 year)	Medium term (>1 and <10 years)	Long term (>=10 years)
<b>Impact average score</b>	1.18	1.35	1.51
<b>Materiality average score</b>	1.32	1.98	2.38

\* In Q1 2026, the definition of time horizons was adjusted and the assessment scale transitioned from a three-grade to a four-grade scale. The results are therefore not directly comparable with past assessment scores.

**Carbon footprint of our business loan and investment portfolio**

The methodology for estimating financed emissions for the lending and the investment portfolio adheres to the principles set out in the Global Standard for Greenhouse Gases (GHG) published by the Partnership for Carbon Accounting Financials (PCAF) for the category Business loans and unlisted equity. Financed emissions are calculated by multiplying an attribution factor (i.e. OTP banka's share) by the GHG emissions of a borrower. If a client's actual GHG emissions are not available, the GHG emissions are estimated using the internal top-down approach, using industry emission intensity factors. The Bank considers several data sources on client's actual emissions as an appropriate data source, including the Bank's ESG questionnaire completed directly by a client, public disclosures and reports, as well as external providers (e.g. Moody's). Currently, 37% of the exposures included in the financed emissions calculations are covered by actual available data on the clients' emissions. The Bank regularly monitors the PCAF score of data quality (1–5, with 1 indicating the highest quality). On 31 December 2025, the PCAF score (Scope 1) of the business loan portfolio stood at 3.24.



**Table 22:** GHG financing ratio of the business loan and investment portfolio

	Total exposure in EUR million	GHG financing ratio (tCO <sub>2</sub> e/mEUR) Scope 1	GHG financing ratio (tCO <sub>2</sub> e/mEUR) Scope 2	GHG financing ratio (tCO <sub>2</sub> e/mEUR) Scope 3
OTP Group Slovenia business loan and investment portfolio (31 December 2025)	3,371	96	42	345

**Table 23:** Weighted average carbon intensity (WACI) of the business loan and investment portfolio

	Total exposure in EUR million	Weighted average carbon intensity (WACI) (tCO <sub>2</sub> e/mm) Scope 1	Weighted average carbon intensity (WACI) (tCO <sub>2</sub> e/mm) Scope 2	Weighted average carbon intensity (WACI) (tCO <sub>2</sub> e/mm) Scope 3
OTP Group Slovenia loan and investment portfolio (31 December 2025)	3,371	99	37	298



**Table 24:** Sectoral breakdown of the portfolio

Industry name	Statistical classification of economic activities (NACE)	Total exposure in EUR million	WACI (tCO <sub>2</sub> e/mm) Scope 1 and 2	GHG financing ratio (tCO <sub>2</sub> e/mm) Scope 1 and 2
<b>Energy</b>	D35, excl. 3511 and 3512	99	606	277
<b>Electricity generation</b>	3511	14	766	288
Renewable electricity generation	3512	5	1	1
<b>Trade</b>	G45-G47	591	101	204
Manufacturing	C	1,356	108	107
subsector: <b>steel</b>	2410, 2420, 2431, 2432, 2433, 2434	111	387	370
subsector: <b>aluminium</b>	2442	37	84	146
subsector: <b>cement</b>	C235, C236	3	854	876
subsector: <b>oil&amp;gas refining</b>	C19, C20	77	483	437
<b>CI other manufacturing</b>		294	70	84
non CI other manufacturing		835	48	46
<b>Agriculture</b>	A01-A03	51	225	101
<b>Logistics</b>	H49-H53	254	156	193
Other (all other not explicitly included above)		1,001	130	107
<b>Total</b>		<b>3,371</b>	<b>136</b>	<b>137</b>

The figures and the methodology presented above currently do not cover sovereign exposures or exposures to natural persons, banks and financial institutions, holding companies, project finance and inactive companies.

Financed emission figures are estimated according to the Partnership for Carbon Accounting Financials (PCAF) standards on a best effort basis. This implies that data availability and quality vary both in terms of regional and asset class coverage, which can result in inconsistent and/or uncertain estimates. We partly used information from third-party sources that we believe to be reliable, but which has not been independently verified by us. We may not vouch that the information is accurate or complete. Therefore, estimated financed emission data are not comparable across banks, neither between years nor asset classes. The financed emission information contained in this report should not be construed as a characterization regarding the materiality or financial impact of that information.

**Carbon footprint of our retail mortgage portfolio**

The estimation of financed emissions stemming from a retail mortgage portfolio follows the same PCAF Standard, specifically, the methodology defined under the "Mortgages" category. Based on 2023 emission factors for Slovenia provided by the PCAF (data quality score 3), floor area of the buildings and calculated attribution factors (the ratio between the outstanding amount and the property value at the time of loan origination), an estimation of total financed greenhouse gas (GHG) emissions was conducted.

At the time of estimation, the Energy Performance Certificate (EPC) was available for 7.049 buildings. For buildings without EPC, an internal approach for evaluating building energy performance was applied. The internal approach categorizes buildings into three energy efficiency classes (B, E, and G). This classification reflects revisions in relevant legislation and evolving building standards and is dependent on the accessibility of publicly available data. Within the internal approach framework, aggregated PCAF emission factors were determined for energy class B (average of classes A1, A2, B1, B2 and C), E (average of classes D and E) and G (average of classes F and G).

Assigned PCAF emission factors or aggregated emission factors are multiplied by the building's usable floor area to calculate building's total GHG emissions. Buildings without publicly available usable floor area data and buildings without publicly available data needed for EPC estimation based on the internal approach were excluded (approx. 2% based on number of properties and based on exposure). Total emissions of the building are then multiplied by the corresponding attribution factors to calculate



total financed GHG emissions. The reported intensity per m2 reflects a weighted average of applied PCAF emission factors (tCO<sub>2</sub>e/m<sup>2</sup>). The weighting factor used in this calculation is the level of exposure associated with each collateral.

**Table 25::** GHG financed emissions of the retail mortgage portfolio

	<b>Number of real estate</b>	<b>Total exposure (in EUR million)</b>	<b>Total financed GHG emissions (in tons)</b>	<b>Intensity (tCO<sub>2</sub>e/m<sup>2</sup>)</b>
OTP Group Slovenia mortgage portfolio (31 December 2025)	29,508	1,839	15,671	0.013

**Portfolio alignment assessment – based on physical emissions intensities**

In 2025 we have integrated portfolio alignment assessment in the newly defined transition plan of the Group, and we updated the assessments first performed in 2024. We kept focusing on the following economic sectors: electricity generation, steel and aluminium production in the business loan and investment portfolio, and mortgages in terms of the retail portfolio. In the case of electricity generation, steel and aluminium production, we used the International Energy Agency's (IEA) Net Zero Emissions by 2050 (NZE) scenario as the main benchmark, and found that our portfolios' intensities are below the IEA benchmark values, and in the case of the steel and aluminium portfolios, they are below the 2030 targets as well. In the case of electricity generation, our portfolio intensity has also dropped significantly due to changes in the portfolio structure, getting very close to the 2030 target value.

We also reassessed our retail mortgage portfolio and using the PCAF emissions factors, found that our portfolio's intensity is below the 2024 benchmark of the 1,5°C aligned scenario of the Carbon Risk Real Estate Monitor (CRREM), that has been used in the assessment, while the portfolio's intensity is above the 2030 benchmark provided by the scenario. It's also important to note that we see discrepancies between the CRREM scenario data and the PCAF emissions factors aligned with that, and the GHG emission intensity values observed from Energy performance certificates in Slovenia. Based on our assessment, using EPC data would lead to significantly higher GHG emission intensities and emissions compared to PCAF. We also need to note that in Slovenia, energy performance labelling is based on energy needed for heating, not primary energy demand. The Energy Performance of Buildings Directive (EPBD) outlines a planned harmonization of energy performance certificates across the EU and definition of minimum energy performance standards. Right now the practice of different EU countries differs rather significantly. The named directive is expected to be transposed into local legislation (Zakon o učinkoviti rabi energije (ZURE-1) in 2026, and the bank is closely following the developments.

**Credit risk and loan approval policy**

The Bank updated its credit process in the middle of 2021, and began collecting, monitoring and assessing the ESG risks of its customers. The Bank continued to update that process in 2025. We have defined the appropriate procedures for collecting and analysing data, and for monitoring ESG risks, and have defined decision-making powers based on assessed ESG risks in connection with activities and customers. ESG risks are currently assessed for large, medium-size and small enterprises on the domestic and foreign markets, depending on the level of exposure.

The Bank closely monitors and assesses the ESG risks of its customers by collecting data (i) from publicly available sources (e.g. annual reports, sustainability reports, customer websites, information published on Bloomberg and other public media), (ii) from external ESG data providers (e.g. Moody's ESG View), (iii) from national and international agencies and ministries, and (iv) directly from customers, based on an in-house questionnaire, which includes questions on (i) transition risks (questions on carbon footprint, consumption of energy, water and waste and other ESG factors) and (ii) physical risks (impact of climate change on the customer's performance, and the customer's strategy and measures in connection with climate change).

With the aim of identifying and mitigating the ESG risks inherent in climate and environmental factors, social factors and governance factors in connection with customer financing, the Bank prepared a **methodology for assessing ESG risks** in the process of investment approval in the OTP Group Slovenia, which represents a comprehensive framework for effective ESG risk management (identification, assessment/measurement, monitoring and control) in the credit process. Assessment of the ESG risks of the Bank's customers is based on an individual approach and a portfolio approach.



The **individual approach** is used in (i) domestic lending to large enterprises and SMEs, depending on the Bank's exposure to the customer or GCC, (ii) international lending, and (iii) the assessment of banks and financial institutions (provided that an external ESG assessment by Moody's ESG View is available). Assessment under points (ii) and (iii) is irrespective of the size of the customer and the Bank's exposure to the customer or GCC. The following entities are excluded from the individual ESG risk assessment process:

- customers who are defined as retail banking in accordance with Pr75;
- customers who are being managed by the Debt Management Department.

The **portfolio approach** is used to assess the ESG risks of all of the Bank's other customers to whom an individual approach is not taken, where the customer has been assigned an SKD classification/industry and the customer is not one of the entities for whom ESG risks are not assessed (i.e. customers that are classed as S.13 General government under the standard classification of institutional sectors, and subsidiaries of the OTP Group Slovenia and their customers, provided that the latter are not also customers of the Bank).

The portfolio approach means that the ESG risk assessment is assigned to the customer exclusively on the basis of the estimated ESG risk of its registered activities, or its *de facto* activities if the customer *de facto* pursues activities that differ from its registered activities. The ESG risk of transaction is assessed on the basis of a matrix including the estimated ESG risk of the customer and the residual maturity of the investment (short: ≤ 1 year; medium: ≤ 5 years; long: > 5 years) that is the subject of assessment.

The Bank assesses ESG risk **on the basis of the individual approach** at three levels:

- industry → E and S factors are the subject of assessment;
- customer → E, S and G factors are the subject of assessment (on the basis of scoring) and physical risk (on the basis of expert judgment);
- individual transaction → ESG risk is the subject of assessment solely in the case of project finance and green financing, otherwise a portfolio approach is employed.

The **risk of an individual factor (i.e. E and S) for a particular industry** is assessed by means of a risk scale: low, medium, medium-high and high. The final ESG risk assessment is equal to the worse of the risk assessments of the two factors. In determining the risk assessment of E and S factors and then the final ESG risk assessment of a particular industry, in addition to its own assessments in first place, which are based on its familiarity with and understanding of the (specifics of) Slovenian market, the Bank also took account of externally sourced assessments (EBRD Environmental and Social Risk Categorisation List (Revised 2014), Paris Agreement Capital Transition Assessment, ING Environmental and Social Risk Framework, etc.) and assessments made by OTP HQ.

The underwriting department within the Corporate Credit Risk sector determines the ESG risk assessment for each industry (level 4 of the SKD), as described earlier for the individual factor and overall assessment of the industry. A list of SKD industries with the corresponding ESG risk assessment (i.e. the ESG NACE Industry Classification) is the subject of discussion and final approval by the Climate Change and Sustainability Committee.

In addition to the ESG risk of industries, the Bank has also defined **ESG excluded industries and subindustries that constitute industries that the Bank does not finance as a rule**, as follows:

**Table 26: ESG excluded industries**

CODE	NAME OF INDUSTRY	REMARKS
A01.15	Growing of tobacco	
B05.10	Mining of hard coal	
B05.20	Mining of lignite	
C12.00	Manufacture of tobacco products	It doesn't include the distribution and sale of tobacco products.
C14.24	Manufacture of leather and fur clothes	Excluded in the case of manufacturing fur clothing.
C24.46	Processing of nuclear fuel	
C25.30	Manufacture of weapons and ammunition	It does not include the financing of individual transactions, when the final buyer are EU countries or their institutions (e.g. the Ministry of Defence or the Ministry of the Interior) and institutions within NATO.
C30.13	Building of military ships and vessels	
C30.32	Manufacture of military air and spacecraft and related machinery	
C30.40	Manufacture of military combat vehicles	
T94.91	Activities of religious organisations	
T94.92	Activities of political organisations	



**Table 27: ESG excluded subindustries**

CODE	NAME OF INDUSTRY	REMARKS
<b>A03.11</b>	Marine fishing	Excluded in the case of whaling, shark fishing, and fishing for other endangered species
<b>B07.29</b>	Mining of other non-ferrous metal ores	Excluded in the case of asbestos mining
<b>B08.99</b>	Other mining and quarrying n.e.c.	Excluded in the case of diamond mining, if the undertaking does not have evidence of meeting the highest standards of the industry
<b>D35.11</b>	Production of electricity	Excluded in the case of electricity production from coal

In addition to the ESG excluded industries listed in the table above, the "OTP ESG Exclusion list" must also be taken into account when approving investments.

The **ESG risk at customer level** is assessed for customers who pursue business activities that are classified as medium-, medium-high- and high-ESG-risk industries on the basis of the Bank's assessment. **In the case of customers on the domestic market**, the ESG risk assessment is determined by means of the internally developed ESG Scoring tool on the basis of ESG questionnaires completed by customers and information available from other sources. The ESG risk of a particular customer is assessed by means of a risk scale: low, medium, medium-high and high. The customer's final ESG risk assessment is equal to the worst of the assessments of all factors. The ESG risk assessment of **customers in international lending** is based primarily on mapped ESG scores from Moody's ESG View.

**Customer-level assessment of ESG risks based on the Scoring tool**

**The Bank assesses the ESG risk of customers on the domestic market on the basis of its internally developed Scoring tool**, which was developed on an expert basis, having regard for external resources (e.g. ESG questionnaires of other organisations and associations, sustainability reports, information published on Bloomberg). With the help of Scoring, the Bank assesses the risks inherent in all three ESG factors (E, S and G), and defines the area of assessment depending on the type of ESG risk, including addressing the following issues and themes:

**Environmental risks (E):** the questions address themes such as greenhouse gases, energy management, water management, waste management, employee training in environmental protection, compliance with environmental legislation, ability to adapt.

**Social risks (S):** the questions address themes such as relations between the employer and employees, investment in human capital and communities, respect for human rights, diversity, and equal opportunities.

**Governance risks (G):** the questions address themes such as the customer's transparency of business and credibility, the ethics and integrity of business practices, compliance with legislation, corruption, taxation, prevention of money laundering, protection/restriction of competition.

Each type of ESG risk is assigned a score from 1 to 10 (where 1 is the best and 10 is the worst score). A mapping table is used to translate the individual ESG risk scores into four risk categories: low, medium, medium-high and high. The customer's final ESG risk assessment is equal to the worst risk assessment for an individual ESG factor (i.e. E, S or G), although there is still the possibility of modifying the final risk assessment (override). Any such override needs to be properly documented.

Scoring tool is subject to annual review in order to determine whether the tool is still up to date, relevant and properly functioning.

The **ESG risk at the level of the individual transaction** is individually assessed solely in the case of project finance, i.e. financing of individual investments/projects (on the basis of the project's projected energy efficiency), and green financing of investments encompassing (i) sustainable mobility, (ii) electricity production from renewables, (iii) improvements to the energy efficiency of commercial buildings and (iv) financing of the ESG transition (transactions that meet the definition of green finance are always classified as low ESG risk). A portfolio approach is used to assess the ESG risk of other transactions. The ESG risk of an individual transaction is assessed by means of a scale: low, medium, medium-high and high ESG risk.

**Transition plan**

In the second half of 2025, in line with the EBA Guidelines on the management of ESG risks (EBA/GL/2025/01) (and CRD6) the Group has prepared its prudential transition plan, intended to ensure resilience of the Group to the risks arising from the transition to a low-carbon economy.



OTP Group Slovenia's transition plan addresses three main portfolios: business loans and investments, mortgages, and passenger car leasing, and summarizes the approaches followed by the Group to assess and embed forward-looking ESG risk considerations to ensure resilience to the risks faced. The document focuses mostly on:

- the identification and measurement of ESG risks;
- targets to manage transition and physical risks on the short, medium and long term;
- the management and monitoring of transition risk factors in the bank's credit decisions;
- the Group's green financing approach;
- the governance framework supporting the plan;
- high level implementation strategy.

For the domestic corporate and international lending portfolios, client climate engagement assessment is introduced as an additional review of new and existing clients with above 2 EURm exposure in economic sectors identified as most relevant from a transition risk perspective. It includes engagement with domestic clients with the aim to better understand and where appropriate, facilitate their transition efforts. In case of a negative assessment, client ESG risk is raised to high, and the credit decision needs to be made by the Bank Credit Committee / Investment and International Lending Committee.

### **Operational risk**

ESG questionnaire for assessing risks in connection with ESG factors is mandatory in the area of outsourcing in the purchasing process, OTP Group Slovenia continued to upgrade the operational risk and outsourcing risk management frameworks in 2025. The answers to the ESG questionnaire provide the Bank with important information in the area of environmental factors (ESG strategy and policy, carbon emissions, waste management), social factors (occupational health and safety, HR), and corporate governance factors (code of conduct, anti-corruption policy, breaches and sanctions).

Particular attention was given to data quality, the upgrading of reports and the automation of risk management processes for operational risk and outsourcing risk. The Bank assesses threats in connection with environmental risks through 12 operational risk sub-categories. The Bank's risk indicators represent one way to obtain data regarding factors that reflect the business environment and internal control systems, and warn of changes. The Bank has thus included ESG components in the process of setting indicators for the purpose of managing ESG risks. It monitored 20 indicators with ESG components in all relevant Basel categories in 2025.

The Bank organised several training courses on operational risk and outsourcing, while activities were implemented to improve the risk management culture. The Bank also focused on ESG risk drivers in its training.

The bank maintains an established operational resilience management system that ensures the uninterrupted execution of critical processes even in the event of disruptions. The system is based on a continuous process of adapting to changes in the internal and external operational environment. A key part of this system is the Business Continuity Management (BCM) program, which is based on the Business Impact Analysis (BIA) used to identify key dependencies, required resources, and target recovery times.

To ensure an adequate level of preparedness, the bank regularly tests its Business Continuity Plans (BCP) and disaster recovery plans, including verification of ICT system functionality (DRP) and the execution of incident response scenarios. Findings from these tests are used for continuous improvement of procedures and strengthening of resilience.

The operational resilience management system also includes the handling of physical, cyber, and ESG-related risks as well as the management of key suppliers. In this way, the bank ensures the availability of essential processes even in the case of large-scale disruptions and strengthens overall business stability and resilience.

In terms of reputational risks, the bank has well established reputational risk monitoring (performed by the Marketing and Communications Sector) and management approach in place, supported by a strong internal policy framework, that enables the bank to detect and respond to market sentiment changes swiftly. Greenwashing risk furthermore is given special attention. When developing products with green or sustainability characteristics the ESG experts are involved in order to verify that all relevant regulatory requirements they are taken into account in order to prevent greenwashing. All ESG products related marketing materials, and materials involving environmental commitments are checked and confirmed by Compliance Office before publishing.

Legal risks stemming from ESG factors have been assessed in 2024 and are considered to be low for the bank.

### **Market risk**

Debt securities are assessed in terms of ESG risks based on the same methodology that is used for client risk assessment, The Risk ALM Department on a monthly basis monitors and reports on the status of the debt securities portfolio in the banking book. Furthermore, climate factors are considered in the ILAAP process as described below.



### **l) Activities, commitments and exposures contributing to mitigate environmental risks**

To mitigate exposure to C&E risks, the Group has for 2026 established the Risk Appetite for C&E risks. Additionally, the Group has in place a number of initiatives to further mitigate exposure to C&E risks which are detailed in its ESG strategy, Transition plan, ESG exclusion lists, ESG-related risk objectives and quantitative decarbonization key risk indicators (KRIs) that are part of the Risk Appetite Statement, and supporting strategic and operational key performance indicators (KPIs), KRIs and limits, which are monitored on a regular basis.

In terms of exposures contributing to mitigate environmental risks, the Group has defined green financing targets and continuously working on the expansion of its green financing portfolio. More details on this are to be found in chapter 23.1.

### **m) Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile**

#### **ICAAP sensitivity analysis and internal stress tests**

The Group has in place the climate and environmental stress testing framework, which it continuously upgrades through an iterative process as it gains more experience and more data/methodologies/models become available. The Group currently uses a combination of internally and externally developed methodologies, models and data.

As part of the regular annual ICAAP stress test exercise, the Group runs the following stress test scenarios:

- a physical risk scenario, which covers a sequence of floods and droughts over selected time horizon (exposures secured by real estate and exposed to flood risk);
- a disorderly scenario as part of the transition risk (exposure to carbon-intensive industries).

In addition, given the ever-widening scope and intertwining of risks our world is facing, the Group has in place also:

- a compound scenario, which encompasses a simultaneous occurrence of events related climate (flood and transition risk), economy and energy.

The results of the climate tests revealed the following:

- The probability of a major impact on the Group's portfolio from selected physical risk drivers under the assumptions of the scenario is relatively small, given the high level of portfolio collateral coverage, which ensures a sufficient buffer to absorb any loss in value of real estate collateral, and limited potential impact on the corporate portfolio from the resulting economic shock of stopped production, destroyed stock and broken transport links in flooded areas. This was also proven in the case of large-scale floods in Slovenia in 2023, where the consequences were locally limited, at the micro level of individual municipalities in the country. At the level of the Group's portfolio, there were also no significant impacts from the aforementioned floods.
- The transition risk scenario indicates that the Group's exposure to transition risk (i.e. decarbonisation) is also relatively small and the Group's income-generating capacity is significant enough to be able to absorb the impacts of the transition risk.

#### **ILAAP sensitivity analysis and internal stress tests**

The purpose of conducting internal climate sensitivity analysis and internal climate stress tests is to assess the Bank's exposure to climate risks and environmental risks, and thus to a potential major outflow of deposits or to liquidity shocks.

Two sub-categories of risk are defined within the framework of climate risk: transition risk and physical risk. Transition risk relates to adapting to the low-carbon economy, and the related costs and benefits. In its assessment of physical risk the Group took account of exposure to flood risk. The flood threat was chosen because Slovenia has already been hit by several major floods, and some data is therefore available.

The Bank conducts a monthly assessment of its exposure to liquidity risk as a result of ESG risk drivers. The internal liquidity buffer is monitored on the basis of the ESG classification of the issuer, and takes account of the market value of assets with a haircut. Corporate deposits are monitored on the basis of the NACE code of the depositors, taking account of exposure to transition risks. Corporates are classified as low, medium, medium-high and high ESG risks, and as exclusion sectors. Household sight deposits are monitored with regard to exposure to flood risk in the municipality of the depositor. The stock of household sight deposits in the municipality most exposed to flood risk and in the top ten municipalities is monitored.

The sensitivity analysis is based on shocks of deposit withdrawals by certain customers. In connection with transition risk, the risk could be reflected in a rise in the price of emission allowances, which would lead to a decline in the financial capacity and savings of businesses. In connection with physical risk, floods could have a damaging impact on the local environment, and could give rise to



the need for repairs and reconstruction using savings. The sensitivity analysis separately tests the outflow of household deposits and corporate deposits at two levels of severity.

The results of the stress tests and sensitivity analysis show that the Group has sufficient liquidity to cover any outflow of household and corporate deposits, and still remain within all set limits. It was nevertheless shown that the impact of climate risk events could be material, confirming the Group's vulnerability to the potential outflow of deposits.

As even worse shocks are tested within the framework of the stress tests of the refinancing plan, and are therefore captured in the internal liquidity buffer requirement, no additional liquidity buffer requirement is set for ESG risk factors.

**n) Data availability, quality and accuracy, and efforts to improve these aspects**

The Bank has built an overarching ESG data architecture, which allows for internal climate-related and environmental risk exposures monitoring and risk management, as well as internal and external reporting, including segmenting portfolio by ESG risk ratings and portfolio greenhouse gas emissions, STE climate risk, the Group's annual sustainability report and other relevant reports.

ESG data field capturing has been developed in the Bank's core system and in the data warehouse and deployed into production in December 2023. The Bank continuously revises its ESG related data needs and makes adjustment in its data architecture as needed in line with the internal and external reporting requirements.

In 2025, we implemented our ESG questionnaire in our application supporting the credit management process, ensuring that the data from the questionnaire is available in our systems. By the end of 2026, a new banking sector level joint questionnaire is planned to be implemented centrally. Other improvements in 2025 included automated identification and reporting of green mortgages in our systems.

In 2025, the bank also improved on its physical risk assessment methodology, using publicly available data obtained from state agencies, including spatial data, hazard maps for floods, forest fires, landslides, and historical earthquakes.

Client data availability, especially in line with the recent changes with Omnibus leaving all together less than Slovenian companies in the scope of CSRD reporting remains a challenge.

**o) Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits**

**Portfolio level key risk indicators**

The Bank defined the key risk indicators/KRIs on enhanced granularity level to ensure the coverage of relevant individual portfolios, business lines and sectors for effectively managing C&E risks. KRIs are integrated into the bank's credit policies on the segment level with the purpose of adequate management of ESG risks already in the approval process. Limit values for each KRI have been set according to the traffic light system. KRIs are monitored through regular reporting channels, with particular emphasis on possible deviations that are considered in the relevant decision-making bodies.

The Bank has selected KRIs that are linked to the different key areas of ESG risk management in the bank and are presented in the table below.



Table 28: ESG key risk indicators

ESG KRI area	Segment	Traffic light values 2025			Performance assessment
<b>ESG (Environmental risk) on client level</b>	<b>Large Corporate/Small Enterprises/International lending</b>	<b>low</b>	<b>medium</b>	<b>high</b>	12 2025
<p><b>ESG risk on client level:</b> as part of the client/deal review process for the Large Corporate, International Lending and Small Enterprises segment, the bank also checks and assesses the client's risk from an ESG point of view. On this basis, an ESG risk assessment is determined, which includes Environmental, Social and Governance criteria.</p>	Maximum share of the LC portfolio in high/high medium risk client (E) categories	up to 30	31-40	above 40	12.52
	Maximum share of the IL portfolio in high/high medium risk client (E) categories	up to 35	36-45	above 45	22.01
	Maximum share of the SE portfolio in high/high medium risk client (E) categories	up to 30	31-40	above 40	17.81
	% of portfolio covered by individual ESG risk assessment (in scope segments)	min 60	59-50	below 50	76.07
	OLLP limit – new exposure to high ESG risk transactions, % of portfolio	max 10			7.71
<b>ESG Industry risk (Carbon intensive industries)</b>	<b>Large Corporate/Small Enterprises/International lending</b>	<b>low</b>	<b>medium</b>	<b>High</b>	12 2025
<p><b>ESG risk industries classification/Carbon intensive industries:</b> the bank carried out a classification of industries according to the ESG risk assessment and identified carbon intensive industries, for which more stricter approval rules are valid, which are defined in the bank's Credit policy and are linked to the client credit rating, the customer's ESG risk in connection with the type and maturity of the product.</p>	Maximum share of LC portfolio in high/high medium clients (E) & rating 7-9 & carbon intensive industries	up to 5	6-10	above 10	0.12
	Maximum share of IL portfolio in high/high medium clients (E) & rating 7-9 & carbon intensive industries	up to 3	4-8	above 8	0.00
	Maximum share of SE portfolio in high/high medium clients (E) & rating 7-9 & carbon intensive industries	up to 3	4-8	above 8	0.22
<b>Energy performance certificate/EPC rating</b>	<b>Project financing</b>	<b>low</b>	<b>medium</b>	<b>High</b>	12 2025
<p><b>Energy efficiency of real estates:</b> for certain customer segments and products, as part of the approval process, the bank obtains data on the energy efficiency of the real estates it accepts as collateral. Additionally, it has developed an internal approach for assessing the energy efficiency of pledged real estates, which enables it to classify the entire portfolio of pledged real estate according to energy class (except for real estate where an energy efficiency certificate is not required) and thereby manage the ESG transition risk accordingly.</p>	Maximum share of exposure classified in energy ratings C-G in Project Finance portfolio	up to 28	29-33	above 33	21.00
	<b>Private individuals</b>	<b>low</b>	<b>medium</b>	<b>High</b>	12 2025
<p><b>Physical risk - Floods</b></p>	<p><b>Private individuals</b></p>	min.45	44-35	below 35	52.82
		<b>low</b>	<b>medium</b>	<b>high</b>	12 2025
<p><b>ESG physical risk:</b> as part of the approval process, the Bank also assesses the physical risk to which the customer is exposed. The materiality of EGS physical risk according to individual risk drivers (fire, earthquake, floods,) is also assessed at the portfolio level.</p>	<p>Maximum share of PI loan portfolio secured by real estates (measured by allocated market value) on the 500-years floods areas</p>	up to 8	9-13	above 13	6.39
		<b>low</b>	<b>medium</b>	<b>high</b>	12 2025

**p) Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework**

The Group's overarching approach to the identification, assessment and management of environmental risks is outlined above in chapter 2.2.1 and preceding points of this chapter 23.3. In particular, the ICAAP/ILAAP stress testing forms an integral and significant part in assessing the Group's exposure to the environmental risks in the scope of the other risk types (e.g. stress testing expected credit risk losses in the credit risk, stressed market values in the market risk, stressed losses from operational risk, etc).



With respect to the liquidity risk the main transmission channels from the environmental to the liquidity risk are the outflows of deposits and the decline in the market value of the securities portfolio, further analysed through the ILAAP ESG sensitivity analysis and materiality assessment of C&E risk drivers as outlined in preceding points of this chapter 23.3.

With respect to credit risk, climate related risk can affect the bank through macroeconomic and microeconomic transmission channels. Macroeconomic transmission channels are routes through which macroeconomic risk drivers impact macroeconomic indicators (like GDP, labour productivity, inflation), which can reduce borrowers' capability of debt repayment. Microeconomic transmission channels involve individual clients shifting towards less carbon intensive production, which can affect their performance and efficiency of their business model, thus increasing credit risk for a bank.

The role of ESG risk management in the bank's credit process is to identify and mitigate ESG risks arising from climate, environmental, social and governance factors related to the bank's client financing. These can affect clients' cash flows and the success and growth of their business. The Bank helps to identify and manage clients' ESG risks and expects them to comply with minimum regulatory and legal requirements and to have appropriate approvals/licenses or processes in place. In doing so, the Bank reduces its exposure to such risks and related risks (credit risk, reputational risk, regulatory and legal risk, etc.), while helping to raise awareness among clients of the importance of establishing and maintaining good practices related to ESG factors and risks arising from their business.