



AS Citadele banka

# Risk management and capital adequacy report (Pillar 3 disclosures)

For the twelve months ended  
31 December 2025



**CONTENTS****Pillar 3 disclosures**

5	Introduction
5	Consolidation Group
7	Governance
8	Risk Management
10	Main regulatory ratios with inclusion of the interim profits
11	Capital Adequacy Calculation
11	Own Funds
21	Credit valuation adjustment risk
22	Credit Risk and credit risk mitigation (CRM)
34	Counterparty credit risk
35	Securitisation
38	Encumbered and Unencumbered assets
39	Leverage Ratio
42	Market risk
45	Liquidity risk
47	Operational risk
52	Internal Capital Adequacy Assessment Process
53	Prudential disclosures on Environmental, Social and Governance (ESG) risks
77	Attestation

**REGULATORY SCOPE**

<b>Name of the table</b>	<b>CRR or EBA GL reference</b>
<b>Introduction</b>	
<b>Consolidation Group</b>	CRR Article 436
EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity)	CRR Article 436(b)
EU LIA – Explanations of differences between accounting and regulatory exposure amounts	CRR Article 436(b)
EU LI1 – Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories	CRR Article 436(c)
EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements	CRR Article 436(d)
EU LIB – Other qualitative information on the scope of application	CRR Article 436(f-h)
<b>Governance</b>	CRR Article 435(2)(a)
EU OVA – Institution risk management approach	CRR Article 435(1)(a-f)
EU OVB – Disclosure on governance arrangements	CRR Article 435(2)(a-e)
<b>Risk Management</b>	CRR Article 435(1)(a-f), 435(2)(d-e)
<b>Main Regulatory Ratios with Inclusion of the full period Profits</b>	
<b>Capital Adequacy Calculation</b>	
Regulatory capital requirements of the Group	
<b>Own Funds</b>	CRR Article 437(1)(a-d)
EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments	CRR Article 437(b,c)
EU CC1 – Composition of regulatory own funds	CRR Article 437(a,d,e,f), 444(e)
EU CC2 – reconciliation of regulatory own funds to balance sheet in the audited financial statements	CRR Article 437(a)
EU KM1 – Key metrics template	CRR Article 447(a-g), 438(b)
EU KM2 – Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities	Directive 2014/59/EU Article 45i(3)(c)
EU TLAC1 – Composition – MREL and, where applicable, G-SII Requirement for own funds and eligible liabilities	Directive 2014/59/EU Article 45i(3)(b)
EU TLAC3b: Creditor ranking – resolution entity	Directive 2014/59/EU Article 45i(3)(b)
EU OV1 – Overview of total risk exposure amounts	CRR Article 438(d)
EU INS1 – Insurance participations	CRR Article 438(f)
EU INS2 – Financial conglomerates information on own funds and capital adequacy ratio	CRR Article 438(g)
<b>Credit valuation adjustment risk</b>	
EU CVAA – Qualitative disclosure requirements related to credit valuation adjustment risk	CRR Article 445a(1) (a-b)
EU CVA 2 – Credit valuation adjustment risk under the Full Basic Approach (F-BA)	CRR Article 445a(3) (a-b)
<b>Credit Risk and credit risk mitigation (CRM)</b>	CRR Article 453 (a-g), 438(1) (c-f), 440(1)(a), 442 (a-d,g-h), 444
EU CRA: General qualitative information about credit risk	CRR Article 435(1) (a,b,d,f)
EU CRB: Additional disclosure related to the credit quality of assets	CRR Article 442(a-b)
EU CQ4: Quality of non-performing exposures by geography	CRR Article 442(c,e)
EU CQ5: Credit quality of loans and advances to non-financial corporations by industry	CRR Article 442(c,e)
EU CR1: Performing and non-performing exposures and related provisions	CRR Article 442(c,f)
EU CR1-A: Maturity of exposures	CRR Article 442(g)
EU CQ3: Credit quality of performing and non-performing exposures by past due days	CRR Article 442 (d)
EU CRC – Qualitative disclosure requirements related to CRM techniques	CRR Article 453(a-e)
EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	CRR Article 453(f)
EU CRD – Qualitative disclosure requirements related to standardised approach	CRR Article 444 (a-d)
EU CR4 – Standardised approach – Credit risk exposure and CRM effects	CRR Article 453(g,h,i), 444(e)
EU CR5 – Standardised approach	CRR Article 444(e)
EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	CRR Article 440(a)
EU CCyB2 – Amount of institution-specific countercyclical capital buffer	CRR Article 440(b)
EU CQ1: Credit quality of forborne exposures	CRR Article 442(c)
<b>Counterparty credit risk</b>	CRR Article 439
EU CCRA – Qualitative disclosure related to CCR	CRR Article 439(a-d), 431(3)(4)
EU CCR1 – Analysis of CCR exposure by approach	CRR Article 439(f,g,k,m)
EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights	CRR Article 439(l)

<b>Securitization</b>	CRR Article 449
EU-SECA – Qualitative disclosure requirements related to securitisation exposures	CRR Article 449(a-i)
EU-SEC1 – Securitisation exposures in the non-trading book	CRR Article 449(j)
EU-SEC3 – Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor	CRR Article 449(k(i))
EU-SEC5 – Exposures securitised by the institution – Exposures in default and specific credit risk adjustments	CRR Article 449(l)
<b>Encumbered and Unencumbered assets</b>	CRR Article 443
EU AE1 – Encumbered and unencumbered assets	CRR Article 443
EU AE2 – Collateral received and own debt securities issued	CRR Article 443
EU AE3 – Sources of encumbrance	CRR Article 443
EU AE4 – Accompanying narrative information	CRR Article 443
<b>Leverage Ratio</b>	CRR Article 451
EU LR2 – LRCom: Leverage ratio common disclosure	CRR Article 451(1)(a-c), 451(2)(3)
EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures	CRR Article 451(1)(b)
EU LR3 – LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	CRR Article 451(1)(b)
EU LRA: Disclosure of LR qualitative information	CRR Article 451(1)(d, e)
<b>Market risk</b>	CRR Article 445, 447, 448
EU MR1 – Market risk under the standardised approach	CRR Article 445
EU MRA: Qualitative disclosure requirements related to market risk	CRR Article 435(1)(a-d)
EU IRRBBA – Qualitative information on interest rate risks of non-trading book activities	CRR Article 448(1)(c-g)
EU IRRBB1 – Interest rate risks of non-trading book activities	CRR Article 448(1)(a-b)
<b>Liquidity risk</b>	CRR Article 451a
EU LIQA – Liquidity risk management	CRR Article 435(1), 451a(4)
EU LIQ1 – Quantitative information of LCR	CRR Article 451a(2)
EU LIQB on qualitative information on LCR, which complements template EU LIQ1	CRR Article 451a(2)
EU LIQ2: Net Stable Funding Ratio	CRR Article 451a(3)
<b>Operational risk</b>	CRR Article 446
EU ORA – Qualitative information on operational risk	CRR Article 435(1), 446(1)(a)
EU OR1 – Operational risk losses	CRR Article 446(2)(a-b)
EU OR2 – Business Indicator, components and subcomponents	CRR Article 446(1)(c-d)
EU OR3 – Operational risk own funds requirements and risk exposure amounts	CRR Article 446(1)(b)
<b>Internal Capital Adequacy Assessment Process</b>	CRR Article 438(a,c)
EU OVC – ICAAP information	CRR Article 438(a,c)
Significant risks based on the latest ICAAP assessment for which internal capital was allocated	CRR Article 438(a,c)
<b>Prudential disclosures on Environmental, Social and Governance (ESG) risks</b>	CRR Article 449a
Table 1 – Qualitative information on Environmental risk	CRR Article 449a
Table 2 – Qualitative information on Social risk	CRR Article 449a
Table 3 – Qualitative information on Governance risk	CRR Article 449a
Template 4: Banking book – Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms	CRR Article 449a
Template 10 – Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852	CRR Article 449a
Template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	CRR Article 449a
Template 2: Banking book – Indicators of potential climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	CRR Article 449a
Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	CRR Article 449a
Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk	CRR Article 449a
Template 6: Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures	CRR Article 449a
Template 7 – Mitigating actions: Assets for the calculation of GAR	CRR Article 449a
Template 8 – GAR (%)	CRR Article 449a

## INTRODUCTION

This report provides an interim update on the qualitative and quantitative disclosures on the major risks of operations of AS Citadele banka and its risk management objectives, policies and information on capital adequacy as required by part eight of the Regulation (EU) No 575/2013 "On prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012" and other relevant regulations and laws.

This report should be read in conjunction with the latest annual report, the relevant quarterly financial statements, the report on remuneration policy and the statement on corporate governance as certain important information is disclosed in these reports and is not repeated in this report. These reports are available at [www.cblgroup.com](http://www.cblgroup.com).

Refer to the separate report on remuneration policy for disclosures on remuneration prepared in accordance with the requirements of Articles 74(3) and 75(2) of Directive 2013/36/EU and Article 450 of Regulation (EU) No 575/2013, guidelines of European Banking Authority (including EBA/GL/2021/04), regulations issued by the supervisory authorities and other relevant rules.

AS Citadele banka has subsidiaries, which are financial institutions, thus it needs to comply with the capital adequacy, liquidity coverage ratio (LCR), Net stable funding ratio (NSFR), leverage ratio (LR) and other regulatory requirements both at the Bank's standalone level and at the Group's consolidated level. However, in line with the pillar 3 disclosure requirements information in the Risk report is disclosed only at the Group's consolidated level. For key information on the Bank standalone position refer to the latest annual report and the relevant quarterly financial statements.

If not specified otherwise, all monetary figures in this report are presented in thousands of Euros (EUR 000's). If not specified otherwise, all figures represent amounts as of the period end.

## CONSOLIDATION GROUP

AS Citadele banka (thereon – the Bank), registration number 40103303559, is the parent company of the Group. In the consolidation group for regulatory purposes (thereon – the Group) companies are included as per requirements of Regulation (EU) No 575/2013, while in the consolidation group for the accounting purposes companies are included in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union.

### EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity)

a	b	c-g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation	Description of the entity
AS Citadele banka	Full consolidation	Full consolidation	Banking
SIA Citadele Leasing	Full consolidation	Full consolidation	Leasing
SIA Citadele Factoring	Full consolidation	Full consolidation	Leasing and factoring
IPAS CBL Asset Management	Full consolidation	Full consolidation	Investment management company
UAB Citadele Factoring	Full consolidation	Full consolidation	Leasing and factoring
SIA Hortus Residential	Full consolidation	Full consolidation	Support services
AS CBL Atklātais Pensiju Fonds	Full consolidation	Full consolidation	Pension fund
OU Citadele Factoring	Full consolidation	Full consolidation	Leasing and factoring
SIA CL Insurance Broker	Full consolidation	Full consolidation	Support services
AAS CBL Life	Full consolidation	Deducted	Life insurance

There are no immediate or foreseeable legal obstacles for capital element transferability or liability repayment between the Group's parent company and its subsidiaries. All reserves are freely available to the respective company for unlimited and immediate use to cover risks or losses, when such are incurred. For certain Group's earnings tax on capital distribution applies. For more details refer to the latest annual report.

### EU LIA – Explanations of differences between accounting and regulatory exposure amounts

Legal basis	Row number	Qualitative information
Article 436(b) CRR		The consolidation Group for regulatory purposes is different from the consolidation Group for the accounting purposes. As per regulatory requirements AAS CBL Life, a licensed insurer, is not included in the consolidation Group for capital adequacy purposes. Consequently, it is excluded from own funds calculation and individual assets of AAS CBL Life are not included as risk exposures in the Group's capital adequacy calculation. Instead, the carrying value of the Group's investment in AAS CBL Life constitutes a risk exposure in the Group's capital adequacy ratio calculation. For regulatory purposes for discontinued operations held for sale a look through approach is applied.
Article 436(b) CRR	(a)	The differences between the amounts in columns (a) and (b) in EU LI1 proceed from different consolidation rules in the regulatory and accounting consolidations with regard to AAS CBL Life.
Article 436(d) CRR	(b)	Carrying values under the regulatory scope of consolidation are different to accounting consolidation for items subject to market risk and other specific risks due to differences in regulatory requirements.

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

	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>							
Cash and cash balances at central banks	511,451	511,451	511,451	-	-	-	-
Loans to credit institutions	7,099	5,701	5,701	-	-	-	-
Debt securities	1,040,903	1,004,828	1,004,828	-	-	-	-
Loans to public	3,764,206	3,764,206	3,582,319	-	181,887	-	-
Equity instruments	427	427	427	-	-	-	-
Other financial instruments	21,999	-	-	-	-	-	-
Derivatives	1,747	1,747	-	1,747	-	801	-
Investments in related entities	-	4,269	4,269	-	-	-	-
Tangible assets	30,755	30,755	30,755	-	-	-	-
Intangible assets	5,691	5,603	3,919	-	-	-	1,684
Current income tax assets	-	-	-	-	-	-	-
Deferred income tax assets	1,053	1,053	1,053	-	-	-	-
Bank tax assets	-	-	-	-	-	-	-
Discontinued operations and non-current assets held for sale	-	-	-	-	-	-	-
Other assets	39,405	38,848	38,848	-	-	-	-
<b>Total assets</b>	<b>5,424,736</b>	<b>5,368,887</b>	<b>5,183,569</b>	<b>1,747</b>	<b>181,887</b>	<b>801</b>	<b>1,684</b>
<b>Breakdown by liability classes according to the balance sheet in the published financial statements</b>							
Deposits from credit institutions and central banks	2,600	2,600	-	-	-	-	2,600
Deposits and borrowings from customers	4,304,201	4,280,007	-	-	-	-	4,280,007
Debt securities issued	408,861	408,861	-	-	-	-	408,861
Derivatives	2,768	2,768	-	-	-	650	2,117
Provisions	3,816	3,816	2,341	-	-	-	1,475
Current income tax liabilities	13,879	13,879	-	-	-	-	13,879
Deferred income tax liabilities	2,450	2,450	-	-	-	-	2,450
Discontinued operations	-	-	-	-	-	-	-
Other liabilities	88,905	60,691	-	-	-	-	60,691
<b>Total liabilities</b>	<b>4,827,479</b>	<b>4,775,072</b>	<b>2,341</b>	<b>-</b>	<b>-</b>	<b>650</b>	<b>4,772,080</b>

## EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements

	a	b	Items subject to			e
			Total	Credit risk framework	Securitisation framework	
<b>1 Assets carrying value amount under the scope of prudential consolidation (as per template EU LI1)</b>	<b>5,367,203</b>	<b>5,183,569</b>	<b>181,887</b>	<b>1,747</b>	<b>801</b>	
2 Liabilities carrying value amount under the scope of prudential consolidation (as per template EU LI1)	2,991	2,341	-	-	650	
<b>3 Total net amount under the regulatory scope of consolidation</b>	<b>5,364,212</b>	<b>5,181,227</b>	<b>181,887</b>	<b>1,747</b>	<b>151</b>	
4 Off-balance-sheet amounts	496,548	496,548	-	-	-	
5 Differences in valuations	(277)	(275)	-	(2)	-	
6 Differences due to different netting rules, other than those already included in row 2	13,790	-	-	13,790	-	
8 Differences due to the use of credit risk mitigation techniques (CRMs)	176,268	176,268	-	-	-	
9 Differences due to credit conversion factors	(387,623)	(387,623)	-	-	-	
10 Differences due to Securitisation with risk transfer	(181,887)	-	(181,887)	-	-	
11 Other differences	4,391	1,862	-	-	-	
11a <i>Unallocated securitisation provisions</i>	1,862	1,862	-	-	-	
11b <i>Other</i>	2,528	-	-	-	-	
<b>12 Exposure amounts considered for regulatory purposes</b>	<b>5,485,422</b>	<b>5,468,008</b>	<b>-</b>	<b>15,536</b>	<b>2,679</b>	

## EU LIB – Other qualitative information on the scope of application

Legal basis	Row number	Qualitative information
Article 436(f) CRR	(a)	Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group: There are no immediate or foreseeable legal obstacles for capital element transferability or liability repayment between the Group's parent company and its subsidiaries. In certain jurisdictions all profits may not be paid out in dividends. In other jurisdictions specific part from accumulated profits has to be set aside for reserves. These reserves are freely available to the respective company for unlimited and immediate use to cover risks or losses, when such are incurred. For certain Group's earnings tax on capital distribution applies. For more details refer to the latest annual report.
Article 436(g) CRR	(b)	Subsidiaries not included in the consolidation with own funds less than required: Subsidiaries, which are not consolidated, comply with own funds and other regulatory requirements based on their standalone ratios.
Article 436(h) CRR	(c)	Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR: Nothing to report.
Article 436(g) CRR	(d)	Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation: Nothing to report.

## GOVERNANCE

In order to ensure that the Bank's Supervisory Board and Management Board members and key function holders are suitable for their position and represent diversity, the Bank has developed internal regulation "Policy on the Assessment of the Suitability of Members of the Supervisory Board, Management Board and Key Function Holders".

The policy has been developed in accordance with the Credit Institution Law of the Republic of Latvia and the recommendations of the supervisory authorities. The policy is reviewed and if necessary updated regularly.

The policy prescribes the procedure and the frequency of the assessment of the suitability of members of the Bank's Supervisory Board and Management Board and key function holders, as well as procedure for decision making on the suitability.

The initial suitability assessment is performed when a new member is nominated to the Bank's Supervisory Board or Management Board prior to his/her election or prior to the date of commencement of his/her duties, but not later than within 6 weeks after the election of the member of the Supervisory Board or the Management Board.

The reassessment of suitability is performed in the following cases:

- During the annual assessment of the suitability of a member of the Supervisory Board or the Management Board,
- If a member of the Supervisory Board or the Management Board is re-elected to his/her position,
- If changes are made to the responsibilities of a member of the Supervisory Board or the Management Board or in the competences required to carry out such responsibilities,
- If there is a doubt about the reliability, competence or reputation of a member of the Supervisory Board or the Management Board.

The suitability assessment is performed considering the overall composition of the Supervisory Board and the Management Board, as well as the knowledge and competence collectively necessary for the Supervisory Board and the Management Board, awareness

and personal qualities in order to properly carry out the duties assigned to the members of the Supervisory Board in relation to the supervision of the Management Board activities and to the Management Board in relation to the Group's operational management.

The suitability assessment of the members of the Supervisory Board and the Management Board is performed by the Remuneration and Nomination Committee. The Supervisory Board approves the composition and also regulations of this committee. The suitability assessment of key function holders is performed by a special committee. The Management Board approves the composition and also regulations of this committee.

Each member of the Management Board is responsible for a specific scope of the Group operations. The suitability assessment process ensures that members of the Management Board have adequate level of necessary knowledge and competence in relation to specific scope of operations of the Group under responsibility of each member of the Management Board, as well adequate necessary collective knowledge and competence.

For full list of directorships held by the members of Supervisory Board and Management Board please refer to the "Committees" subsection of the "Governance" section of [www.cblgroup.com](http://www.cblgroup.com).

#### EU OVB – Disclosure on governance arrangements

Legal basis	Row number	
Point (a) of Article 435(2) CRR	(a)	The number of directorships held by members of the management body: Information about number of directorships held by members of the management body in Citadele is available in the "Supervisory board committees" section of the Bank's web page. Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise:
Point (b) of Article 435(2) CRR	(b)	Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise is available in the "Remuneration report" of Citadele and in the "Corporate governance" section of the Bank's web page.
Point (c) of Article 435(2) CRR	(c)	Information on the diversity policy with regard of the members of the management body: Information on the diversity policy with regard of the members of the management body is available in the "Remuneration report" of Citadele. Information whether or not the institution has set up a separate risk committee and the frequency of the meetings:
Point (d) of Article 435(2) CRR	(d)	Information whether or not the institution has set up a separate risk committee and the frequency of the meetings: Information about whether or not the institution has set up a separate risk committee and the frequency of the meetings are available in the "Statement on corporate governance" of Citadele and in the "Corporate governance" section of the Bank's web page.
Point (e) Article 435(2) CRR	(e)	Description on the information flow on risk to the management body Information is available in the "Statement on corporate governance" of Citadele and in the "Corporate governance" section of the Bank's web page.

#### EU OVA – Institution risk management approach

Legal basis	Row number	
Point (f) of Article 435(1) CRR	(a)	Information on overall risk profile associated with the business strategy is disclosed in section "Risk Management". Key ratios and figures are disclosed in section "Main Regulatory Ratios with Inclusion of the Interim Profits" and in section "Key Figures and Events of the Group" in last published annual report. Information on transactions with related parties is disclosed in section "Related Parties" in last published annual report.
Point (b) of Article 435(1) CRR	(b)	Information on the risk governance structure is disclosed in section "Risk Management" and in section "Internal Control System, Risk Management and Internal Audit" in last published Corporate Governance Report.
Point (e) of Article 435(1) CRR	(c)	Declaration on the adequacy of the risk management arrangements is available in section "Risk Management".
Point (c) of Article 435(1) CRR	(d)	Information on the scope and nature of risk reporting and/or measurement systems is disclosed in sections corresponding each type of risk.
Point (c) of Article 435(1) CRR	(e)	Information on the main features of risk reporting and measurement systems is disclosed in sections corresponding each type of risk.
Point (a) of Article 435(1) CRR	(f)	Strategies and processes to manage risks for each separate category of risk are disclosed in the qualitative information tables in sections corresponding each type of risk.
Points (a) and (d) of Article 435(1) CRR	(g)	Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants is disclosed in sections corresponding each type of risk.

## RISK MANAGEMENT

The Group considers risk management to be an essential component of its management process. The Group pursues prudent risk management that is aligned with its business ambitions and aims to achieve effective risk mitigation. To assess and monitor complex risk exposures, the Group applies a wide range of risk management tools in conjunction with risk committees. Members of the risk committees represent various operations of the Group to balance business and risk within the respective risk committees. Annually

Group defines its Risk Appetite Framework which sets acceptable risk-taking limits across all relevant risk types, considering business goals, macroeconomic environment, identified material risk drives and regulatory setting. Risk appetite limits are cascaded to all risk management strategies and implemented operationally through detailed internal regulations.

The Group's risk management principles are set out in its Risk Management Policy. The Group adheres to the following key risk management principles:

- The Group aims to ensure that it maintains low overall risk exposure, diversified asset portfolio, limited risks in financial markets and low levels of operational risk;
- The Group aims to ensure an acceptable risk level in all operations. Risks are always assessed in relation to their expected return. Risk exposures that are not acceptable are avoided, limited or hedged;
- The Group does not assume high or uncontrollable risks irrespective of the return they provide and assumes risks only in economic fields and geographical regions in relation to which it believes it has sufficient knowledge and expertise;
- Risk management is based on each Group's employee's responsibility for the transactions carried out by him/her and awareness of the related risks and adequate control framework;
- Risk limit system and strict controls are essential risk management elements. Control over risk levels and compliance with the imposed limits is achieved by the existence of structured risk limit systems for all material risks.

The aim of the risk management in the Group is to facilitate the achievement of the Group's goals, sustainable growth, long-term financial stability and to protect the Group from unidentified risks. The Bank has appointed a Chief Risk Officer (CRO) who serves as a member of the Management Board. Importantly, the CRO's role is distinct and independent from operational activities to ensure unbiased risk oversight. To facilitate effective governance, the CRO maintains direct access to the Bank's Supervisory Board. The Risk Committee, which is subordinated to the Bank's Supervisory Board, has been established in the Bank. The main task of the Risk Committee is to provide support to the Bank's Supervisory Board in relation to the monitoring of the Group's risk management system. The Risk Committee established by the Bank's Supervisory Board provides recommendations to the Bank's Management Board regarding improvements of the risk management system. Risk management function within the Group is controlled by an independent unit – the Risk Division.

The main risks to which the Group is exposed are credit risk, market risk (including interest rate risk), liquidity risk, currency risk, operational risk (including ICT and fraud), ML/TF/PF risks and Sanctions risk, compliance risk and environmental and climate-related risk. For each of these risks the Group has approved risk management policies and other internal regulations defining key risk management principles and processes, functions and responsibilities of units, risk concentration limits, as well as control and reporting system. The Bank's Supervisory Board approves risk management policies and ensures the control of efficiency of the risk management system. The Bank's Management Board and CRO ensure implementation of the risk management policies and development of internal regulations for the management of each material risk within the Group. In order to assess and monitor material and complex risk exposures, the Bank's Management Board establishes risk committees. Members of risk committees represent various units of the Group to ensure the balance between the units responsible for risk monitoring and control and the units with business orientation.

The Group continuously assesses and controls risks – both on an individual basis by type of risk and by performing a comprehensive assessment within the internal capital adequacy assessment process (ICAAP). Each member of the Group is responsible for risk control and management. Each employee of the Group is responsible for the compliance with the principles set out in the Group's internal regulations.

Risk management process includes the following elements: risk identification, risk assessment and decision making, risk management and control, risk oversight and reporting. The Group regularly, at least once a year, identifies and describes the types of material risks inherent in its operations by assessing what types of risks may have a negative impact on achieving its performance targets and projected financial results. To identify the types of material risks, quantitative and qualitative criteria are used and the results of the process are documented. For all types of identified material risks the aims of risk management are defined and risk appetite is determined. In addition, the development of internal regulations in relation to risk management of those risks is ensured, including risk identification and assessment methods, adequate risk restriction and control procedures, such as quantitative restrictions and limits, or control measures that reduce unquantifiable risks, risk appetite, procedures for reporting the information on risks, risk levels assumed and trends thereof to the Group's management bodies, as well as other information necessary for decision making, risk management policy and control procedures, including procedures for control of compliance with the restrictions and limits set, segregation of duties, approval rights and responsibilities. A robust risk management system has a profound impact on entire operations, empowering the Group to make informed decisions regarding risk, return, and market conditions.

Risk assessment and decision making include selection, approval and documentation of risk assessment methodology, regular risk assessment, establishment of the risk restriction and controlling system and setting the acceptable level of risks within this system, decision making on assuming the risks. Risk assessment includes the determination of qualitative and quantitative impact of the source of each identified risk using generally accepted methodology, which is adequately documented. The Group makes a decision in relation to each identified and assessed risk on whether the Group accepts such risk or takes the necessary measures for its mitigation, or ceases activities related to this risk. The Group does not assume risks with the impact exceeding the risk appetite determined for each respective type of risk regardless of the economic benefits that might result from assuming such risk.

Risk management and control include the compliance with the level of risk acceptable for the Group including the compliance with the limits restricting the amount of risk. Monitoring and reporting include regular assessment of the existing level of risk against the desirable level of risk, trend analysis, regular reporting to the relevant unit heads, the Bank's Management Board and the Supervisory Board. An integral part of risk management is risk stress testing. Stress testing process ensures regular identification and assessment of risks inherent to the Group's current and future operations, as well as assessment of the impact of different extraordinary and adverse events on the Group's operations, in order to provide support to responsible employees of the Group in management decision-making process at different levels of management (e.g., strategic planning, determination and correction of the risk appetite, capital planning, liquidity management).

The Group's Internal Audit Division regularly monitors the implementation of risk management policies and other internal regulations, as well as provides recommendations regarding improvements of the risk management system.

**MAIN REGULATORY RATIOS WITH INCLUSION OF THE PROFITS**

Throughout the report figures as of 31 December 2025 are presented with included 2025 audited profits, as these have become eligible for inclusion in the regulatory capital after the institution took a formal decision confirming the final profit for the year. EUR 40.8 million deduction for total estimated annual dividend is applied to the regulatory capital. The total deduction consists of EUR 25.7 million approved for distribution as dividends and EUR 15.1 million for which the shareholders have reserved the option to decide later this year on the distribution. The total deduction is consistent with the 50% pay-out ratio set out in the Group's dividend policy.

The consolidated Group for regulatory purposes is different from the consolidated Group for accounting purposes. As per regulatory requirements AAS CBL Life, a licensed insurer, is not included in the consolidated Group for capital adequacy purposes. Thus, net profit for the regulatory Group excludes net result of AAS CBL Life versus net result for the accounting Group. Consequently, net result of AAS CBL Life is excluded from own funds calculation and individual assets of AAS CBL Life are not included as risk exposures in the Group's capital adequacy calculation. Instead, the carrying value of the Group's investment in AAS CBL Life constitutes a risk exposure in the Group's capital adequacy ratio calculation.

Key regulatory ratios scenario (including net result for the period, which is decreased in line with the dividend policy)

	EUR thousands	
	31/12/2025	31/12/2024
	<b>Group</b>	<b>Group</b>
Common equity Tier 1 capital	494,583	506,121
Total own funds	604,583	566,121
Total risk exposure amount	2,716,369	2,644,199
<b>Common equity Tier 1 capital ratio</b>	<b>18.2%</b>	<b>19.1%</b>
<b>Total capital adequacy ratio</b>	<b>22.3%</b>	<b>21.4%</b>
<b>Leverage Ratio – fully phased-in definition of Tier 1 capital</b>	<b>10.0%</b>	<b>9.8%</b>
Total available stable funding	4,153,057	3,952,029
Total required stable funding	2,940,393	2,764,509
<b>Net stable funding ratio</b>	<b>141%</b>	<b>143%</b>

## CAPITAL ADEQUACY CALCULATION

Capital adequacy is calculated in accordance with the current global standards of the bank capital adequacy as implemented by the European Union via a regulation (EU) 575/2013 and a directive 2013/36/EU, rules and recommendations issued by supervisory authorities and other relevant regulations. For credit risk the Group applies standardised approach.

Capital adequacy is a measure of sufficiency of the Group's eligible capital resources to cover credit risks, market risks, operational risk and other specific risks arising predominantly from asset and off-balance sheet exposures of the Group. The regulations require credit institutions to maintain a Total Capital adequacy ratio of 8.0% of the total risk weighted exposure amounts. The rules also require 4.5% minimum Common Equity Tier 1 capital ratio and 6.0% minimum Tier 1 capital ratio.

Total SREP capital requirement (TSCR) requires capital to cover risks in addition to those covered by the regulation (EU) 575/2013. TSCR is established in a supervisory review and evaluation process (SREP) carried out by the supervisory authority. The supervisory authority determines TSCR on a risk-by-risk basis, using supervisory judgement, the outcome of supervisory benchmarking, ICAAP calculations and other relevant inputs. The additional pillar 2 capital requirement is re-assessed annually by the supervisory authority. As of the period end based on the assessment of the supervisory authority an additional 2.50% own funds requirement is determined to cover Pillar 2 risks. Thus, as of the period end Citadele shall at all times meet, on a consolidated basis, a total SREP capital requirement (TSCR) of 10.5% (which includes a Pillar 2 additional own funds requirement of 2.5% to be held in the form of 56.25% of Common Equity Tier 1 (CET1) capital and 75% of Tier 1 capital, as a minimum).

On top of the minimum capital adequacy ratios and the Pillar 2 additional capital requirements (TSCR), the Group and the Bank must comply with the capital buffer requirements. The buffer requirements must be reached by Common Equity Tier 1 capital. The capital conservation buffer both for the Group and the Bank is set at 2.50%, limiting dividend pay-out and certain other Tier 1 equity instrument repurchase, if the buffer threshold is not exceeded.

Citadele, being identified as "other systemically important institution" (O-SII), as of period end must also comply with the O-SII capital buffer requirement set by the supervisory authority at 1.50%.

Countercyclical capital buffer norms at each balance sheet date are calculated based on the actual risk exposure geographical distribution and the countercyclical buffer rates applicable for each geographical location. Increases in countercyclical capital buffer norms, when announced by the respective country, become effective after prespecified delay. Decreases take effect immediately.

The Pillar 2 Guidance (P2G) is a bank-specific recommendation that indicates the level of capital that the supervisory authority expects banks to maintain in addition to their binding capital requirements. It serves as a buffer for banks to withstand stress. The Pillar 2 Guidance is determined as part of the Supervisory Review and Evaluation Process (SREP) and for Citadele as of period end is set at 1.5%. Unlike the Pillar 2 Requirement, the Pillar 2 Guidance is not legally binding.

The Bank has to comply with the regulatory requirements both at the Bank's standalone level and at the Group's consolidated level. As of the period end both the Bank and the Group have sufficient capital to comply with the capital adequacy requirements. The long-term regulatory capital position of the Group and the Bank is planned and managed in line with these and other expected upcoming regulatory requirements.

### Regulatory capital requirements of the Group on 31 December 2025

	Common equity Tier 1 capital ratio	Tier 1 capital ratio	Total capital adequacy ratio
Common equity Tier 1 ratio	4.50%	4.50%	4.50%
Additional Tier 1 ratio	-	1.50%	1.50%
Additional total capital ratio	-	-	2.00%
Pillar 2 additional own funds requirement (individually determined by the supervisory authority in the SREP, P2R)	1.35%	1.80%	2.40%
Capital buffer requirements:			
Capital conservation buffer	2.50%	2.50%	2.50%
O-SII capital buffer	1.25%	1.25%	1.25%
Systemic risk buffer	0.07%	0.07%	0.07%
Countercyclical capital buffer	1.08%	1.08%	1.08%
<b>Capital requirement</b>	<b>10.75%</b>	<b>12.70%</b>	<b>15.30%</b>
Pillar 2 Guidance (P2G)	1.50%	1.50%	1.50%
<b>Non-legally binding capital requirement with Pillar 2 Guidance</b>	<b>12.25%</b>	<b>14.20%</b>	<b>16.80%</b>

## OWN FUNDS

The capital of AS Citadele banka consists of two types of instruments – ordinary shares and subordinated debt securities issued. For more information on the bondholders and shareholders of the Bank refer to the latest annual report.

EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		Ordinary shares	Subordinated liabilities: Publicly listed unsecured bonds	AT1 eligible bonds	Subordinated liabilities: Publicly listed unsecured bonds
1	Issuer	AS Citadele banka	AS Citadele banka	AS Citadele banka	AS Citadele banka
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	-	LV0000880102	XS3060301168	LV0000803054
2a	Public or private placement	Private placement	Public placement	Public placement	Public placement
3	Governing law(s) of the instrument	Latvia	Latvia	Latvija	Latvia
3a	Contractual recognition of write down and conversion powers of resolution authorities	According to law	Yes	Yes	Yes
<b>Regulatory treatment</b>					
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Tier 2	Additional Tier 1	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Tier 2	Additional Tier 1	Tier 2
6	Eligible at solo/(sub-)consolidated/ solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Subordinated liabilities	Subordinated liability – AT1	Subordinated liabilities
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 159 million	EUR 40.0 million	EUR 50.0 million	EUR 20.0 million
9	Nominal amount of instrument	EUR 159 million	EUR 40.0 million	EUR 50.0 million	EUR 20.0 million
EU-9a	Issue price	EUR 159 million (see "Share premium" in the financial report)	EUR 40.0 million	EUR 50.0 million	EUR 20.0 million
EU-9b	Redemption price	-	EUR 40.0 million	EUR 50.0 million	EUR 20.0 million
10	Accounting classification	Shareholders' Equity	Liabilities at amortised cost	Liabilities at amortised cost	Liabilities at amortised cost
11	Original date of issuance	Various	13/12/2021	09/10/2025	05/04/2024
12	Perpetual or dated	Perpetual	Dated	Perpetual	Dated
13	Original maturity date	No Maturity	13/12/2031	No Maturity	05/04/2034
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	-	Optional redemption after five years from issuance	Optional redemption after five years from issuance	Optional redemption after five years from issuance
16	Subsequent call dates, if applicable	-	-	Any Interest Payment Date after the first call date	-
<b>Coupons / dividends</b>					
17	Fixed or floating dividend/coupon	-	Fixed	Fixed	Fixed
18	Coupon rate and any related index	-	5.00%	7.125%	8.00%
19	Existence of a dividend stopper	-	-	-	-
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Discretionary	Fixed	Discretionary	Fixed
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Discretionary	Fixed	Discretionary	Fixed
21	Existence of step up or other incentive to redeem	-	-	-	-
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-Convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	-	-	-	-
25	If convertible, fully or partially	-	-	-	-
26	If convertible, conversion rate	-	-	-	-
27	If convertible, mandatory or optional conversion	-	-	-	-
28	If convertible, specify instrument type convertible into	-	-	-	-
29	If convertible, specify issuer of instrument it converts into	-	-	-	-
30	Write-down features	No	No	Yes	No
31	If write-down, write-down trigger(s)	-	-	CET1 Ratio < 5.125%	-
32	If write-down, full or partial	-	-	Partial	-
33	If write-down, permanent or temporary	-	-	Temporary	-
				Discretionary write-up subject to regulatory approval, distributable items, pro-rata; capped at original principal.	
34	If temporary write-down, description of write-up mechanism	-	-	-	-

		Settlement after all subordinated and unsubordinated claims	Settlement after unsubordinated claims, but before claims of shareholders	Settlement after all unsubordinated and subordinated claims, but before claims of shareholders.	Settlement after unsubordinated claims, but before claims of shareholders
34a	Type of subordination (only for eligible liabilities)	Settlement after all subordinated and unsubordinated claims	Settlement after unsubordinated claims, but before claims of shareholders	Settlement after all unsubordinated and subordinated claims, but before claims of shareholders.	Settlement after unsubordinated claims, but before claims of shareholders
EU-34b	Ranking of the instrument in normal insolvency proceedings	Settlement after all subordinated and unsubordinated claims	Settlement after unsubordinated claims, but before claims of shareholders	Settlement after all unsubordinated and subordinated claims, but before claims of shareholders.	Settlement after unsubordinated claims, but before claims of shareholders
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Settlement after all subordinated and unsubordinated claims	Settlement after unsubordinated claims, but before claims of shareholders	Settlement after all unsubordinated and subordinated claims, but before claims of shareholders.	Settlement after unsubordinated claims, but before claims of shareholders
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	-	-	-	-
37a	Link to the full term and conditions of the instrument (signposting)	-	Refer to "Bonds" section at <a href="http://www.cblgroup.com">www.cblgroup.com</a>	Refer to "Bonds" section at <a href="http://www.cblgroup.com">www.cblgroup.com</a>	Refer to "Bonds" section at <a href="http://www.cblgroup.com">www.cblgroup.com</a>

## EU CC1 – Composition of regulatory own funds

	(a)	(b)
	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>		
1 Capital instruments and the related share premium accounts of which: Instrument type 1	162,054	Line E01 in template EU CC2
2 Retained earnings	162,054	Line E01 in template EU CC2
3 Accumulated other comprehensive income (and other reserves)	318,135	Part of line E03 in template EU CC2
EU-3a Funds for general banking risk	2,217	Part of line E02 in template EU CC2
4 Amount of qualifying items referred to in Article 484 (3) 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	39,643	
<b>6 Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>522,049</b>	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>		
7 Additional value adjustments (negative amount)	(277)	
8 Intangible assets (net of related tax liability) (negative amount)	(1,684)	Part of line A10 in template EU CC2
9 Empty set in the EU	-	
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) are met) (negative amount)	-	Line A12 in template EU CC2
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 and indirect holdings by an institution of own CET1 instruments (negative amount)	(19,001)	
17 Direct, indirect and synthetic holdings of the CET 1 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 Empty set in the EU	-	
EU-20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(6,454)	
EU-20b of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c of which: securitisation positions (negative amount)	(6,454)	
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) 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	-	
24 Empty set in the EU	-	
25 of which: deferred tax assets arising from temporary differences	-	
EU-25a Losses for the current financial year (negative amount)	-	
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)	-	
26 Empty set in the EU	-	
27 Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a Other regulatory adjustments (including IFRS 9 transitional adjustments when relevant)	(51)	
<b>28 Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(27,467)</b>	
<b>29 Common Equity Tier 1 (CET1) capital</b>	<b>494,583</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>		
30 Capital instruments and the related share premium accounts	50,000	
31 of which: classified as equity under applicable accounting standards	-	
32 of which: classified as liabilities under applicable accounting standards	-	
33 Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) of CRR	-	
EU-33a Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	-	
EU-33b Amount of qualifying items referred to in Article 494b(1) 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	-	
36	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>	<b>50,000</b>	
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
37	Direct and indirect 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)	-	
41	Empty set in the EU	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>	<b>-</b>	
44	<b>Additional Tier 1 (AT1) capital</b>	<b>50,000</b>	
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>544,583</b>	
<b>Tier 2 (T2) capital: instruments</b>			
46	Capital instruments and the related share premium accounts	60,000	Part of line L03 in template EU CC2
47	Amount of qualifying items referred to in Article 484 (5) 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) subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b (2) 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	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	<b>Tier 2 (T2) capital before regulatory adjustments</b>	<b>60,000</b>	
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
52	Direct and indirect 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 and indirect 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	Empty set in the EU	-	
55	Direct and indirect 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	Empty set in the EU	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
56b	Other regulatory adjustments to T2 capital	-	
57	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	<b>-</b>	
58	<b>Tier 2 (T2) capital</b>	<b>60,000</b>	
59	<b>Total capital (TC = T1 + T2)</b>	<b>604,583</b>	
60	<b>Total risk exposure amount</b>	<b>2,716,369</b>	
<b>Capital ratios and buffers</b>			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	18.2%	
62	Tier 1 (as a percentage of total risk exposure amount)	20.1%	
63	Total capital (as a percentage of total risk exposure amount)	22.3%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	11.1%	
65	of which: capital conservation buffer requirement	2.5%	
66	of which: countercyclical buffer requirement	1.1%	
67	of which: systemic risk buffer requirement	0.1%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1.5%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.4%	
68	<b>Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)</b>	<b>11.8%</b>	
69	[non relevant in EU regulation]	-	
70	[non relevant in EU regulation]	-	

71	[non relevant in EU regulation]	-
<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)	-
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% thresholds and net of eligible short positions)	4,269
74	Empty set in the EU	-
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) are met)	1,053
<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	375
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	-
<b>Capital 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)	-

\* The national supervisory authority determines TSCR on a risk-by-risk basis, using supervisory judgement, the outcome of supervisory benchmarking, ICAAP calculations and other relevant inputs. The additional pillar 2 capital requirement is re-assessed annually by the FCMC. The Group is required to cover 56% of the TSCR with Common Equity Tier 1 capital, 75% with Tier 1 capital and 100% with Total Capital.

**EU CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements**

	a	b	c	
	<b>Balance sheet as in published financial statements 31/12/2025</b>	<b>Under regulatory scope of consolidation 31/12/2025</b>	<b>Reference</b>	
<b>Assets</b>				
A01	Cash and cash balances at central banks	511,451	511,451	
A02	Loans to credit institutions	7,099	5,701	
A03	Debt securities	1,040,903	1,004,828	
A04	Loans to public	3,764,206	3,764,206	
A05	Equity instruments	427	427	
A06	Other financial instruments	21,999	-	
A07	Derivatives	1,747	1,747	
A08	Investments in subsidiaries	-	4,269	
A09	Tangible assets	30,755	30,755	
A10	Intangible assets	5,691	5,603	Partially line 8 in template EU CC1
A11	Current income tax assets	-	-	
A12	Deferred income tax assets	1,053	1,053	Line 10 in template EU CC1
A13	Bank tax assets	-	-	
A14	Non-current assets held for sale	-	-	
A15	Other assets	39,405	38,848	
AA	<b>Total assets</b>	<b>5,424,736</b>	<b>5,368,887</b>	
<b>Liabilities</b>				
L01	Deposits from credit institutions and central banks	2,600	2,600	
L02	Deposits and borrowings from customers	4,304,201	4,280,007	
L03	Debt securities issued	408,861	408,861	Partially line 46 in template EU CC1
L04	Derivatives	2,768	2,768	
L05	Provisions	3,816	3,816	
L06	Current income tax liabilities	13,879	13,879	
L07	Deferred income tax liabilities	2,450	2,450	
L08	Bank tax liabilities	-	-	
L09	Discontinued operations	-	-	
L10	Other liabilities	88,905	60,691	
LL	<b>Total liabilities</b>	<b>4,827,479</b>	<b>4,775,072</b>	
<b>Shareholders' Equity</b>				
E01	Share capital	159,178	159,178	Line 1 in template EU CC1
E02	Reserves and other capital components	4,850	5,046	Partially line 3 in template EU CC1
E03	Retained earnings	433,230	429,591	Partially line 2 in template EU CC1
EE	<b>Total equity</b>	<b>597,257</b>	<b>593,815</b>	

## EU KM1 – Key metrics template

	a	b	c	d	e	
	31/12/2025	30/09/2025	30/06/2025	31/03/2025	31/12/2024	
<b>Available own funds (amounts)</b>						
1	Common Equity Tier 1 (CET1) capital	494,583	533,386	528,793	507,486	506,121
2	Tier 1 capital	544,583	533,386	528,793	507,486	506,121
3	Total capital	604,583	593,386	588,793	567,486	566,121
<b>Risk-weighted exposure amounts</b>						
4	Total risk exposure amount	2,716,369	2,641,444	2,608,030	2,568,365	2,644,199
4a	Total risk exposure pre-floor	2,716,369	2,641,444	2,608,030	2,568,365	2,644,199
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>						
5	Common Equity Tier 1 ratio (%)	18.2%	20.2%	20.3%	19.8%	19.1%
5a	Not applicable					
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	18.2%	20.2%	20.3%	19.8%	
6	Tier 1 ratio (%)	20.1%	20.2%	20.3%	19.8%	19.1%
6a	Not applicable					
6b	Tier 1 ratio considering unfloored TREA (%)	20.1%	20.2%	20.3%	19.8%	
7	Total capital ratio (%)	22.3%	22.5%	22.6%	22.1%	21.4%
7a	Not applicable					
7b	Total capital ratio considering unfloored TREA (%)	22.3%	22.5%	22.6%	22.1%	
<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 (%)	2.5%	2.5%	2.5%	2.5%	2.5%
EU 7e	of which: to be made up of CET1 capital (percentage points)	1.4%	1.4%	1.4%	1.4%	1.4%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1.9%	1.9%	1.9%	1.9%	1.9%
EU 7g	Total SREP own funds requirements (%)	10.5%	10.5%	10.5%	10.5%	10.5%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>						
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.1%	1.1%	1.1%	0.8%	0.8%
EU 9a	Systemic risk buffer (%)	0.1%	0.1%	0.1%	0.1%	0.1%
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer	1.3%	1.5%	1.5%	1.5%	1.5%
11	Combined buffer requirement (%)	4.9%	5.2%	5.1%	4.9%	4.9%
EU 11a	Overall capital requirements (%)	15.4%	15.7%	15.6%	15.4%	15.4%
12	CET1 available after meeting the total SREP own funds requirements (%)	11.8%	12.0%	12.1%	11.6%	10.9%
<b>Leverage ratio</b>						
13	Total exposure measure	5,461,767	5,355,442	5,157,385	5,060,913	5,188,161
14	Leverage ratio (%)	10.0%	10.0%	10.3%	10.0%	9.8%
<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 (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
<b>Liquidity Coverage Ratio (average for the year)</b>						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	1,224,282	1,234,136	1,291,165	1,281,654	1,306,240
EU 16a	Cash outflows - Total weighted value	892,015	902,926	927,032	906,118	884,167
EU 16b	Cash inflows - Total weighted value	206,233	207,481	220,111	205,957	196,572
16	Total net cash outflows (adjusted value)	685,782	695,445	706,921	700,161	687,595
17	Liquidity coverage ratio (%)	178%	177%	183%	183%	190%

<b>Net Stable Funding Ratio</b>						
18	Total available stable funding	4,153,057	4,153,716	3,925,651	3,855,362	3,952,029
19	Total required stable funding	2,940,393	2,892,626	2,825,208	2,774,379	2,764,509
20	NSFR ratio (%)	141%	144%	139%	139%	143%

**EU KM2 – Key metrics – MREL and, where applicable, G-SII requirement for own funds and eligible liabilities**

		a	b	c	d	e	f
		Minimum requirement for own funds and eligible liabilities (MREL)	G-SII Requirement for own funds and eligible liabilities (TLAC)				
		31/12/2025	T	T-1	T-2	T-3	T-4
<b>Own funds and eligible liabilities, ratios and components</b>							
1	Own funds and eligible liabilities	904,583	-	-	-	-	-
EU-1a	Of which own funds and subordinated liabilities	904,583	-	-	-	-	-
2	Total risk exposure amount of the resolution group (TREA)	2,716,369	-	-	-	-	-
3	Own funds and eligible liabilities as a percentage of the TREA	33.3%	-	-	-	-	-
EU-3a	Of which own funds and subordinated liabilities	33.3%	-	-	-	-	-
4	Total exposure measure (TEM) of the resolution group	5,461,767	-	-	-	-	-
5	Own funds and eligible liabilities as percentage of the TEM	16.6%	-	-	-	-	-
EU-5a	Of which own funds or subordinated liabilities	16.6%	-	-	-	-	-
6a	Does the subordination exemption in Article 72b(4) of Regulation (EU) No 575/2013 apply? (5% exemption)	n/a	-	-	-	-	-
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)	n/a	-	-	-	-	-
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 <i>pari passu</i> with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks <i>pari passu</i> with excluded liabilities and that would be recognised under row 1 if no cap was applied (%)	n/a	-	-	-	-	-
<b>Minimum requirement for own funds and eligible liabilities (MREL)</b>							
EU-7	MREL expressed as a percentage of the TREA	23.2%	-	-	-	-	-
EU-8	Of which to be met with own funds or subordinated liabilities	n/a	-	-	-	-	-
EU-9	MREL expressed as a percentage of the TEM	5.9%	-	-	-	-	-
EU-10	Of which to be met with own funds or subordinated liabilities	n/a	-	-	-	-	-

Information on the composition of own funds and eligible liabilities, their maturity and main features, as well as the ranking of eligible liabilities in the creditor hierarchy, in accordance with points (a) and (b) of Article 437a of Regulation (EU) No 575/2013, is disclosed in the note "Debt securities issued" of the last published annual report.

**EU TLAC1 – Composition - MREL and, where applicable, G-SII Requirement for own funds and eligible liabilities**

		a	b	c
		Minimum requirement for own funds and eligible liabilities (MREL)	G-SII requirement for own funds and eligible liabilities (TLAC)	Memo item: Amounts eligible for the purposes of MREL, but not of TLAC
<b>Own funds and eligible liabilities and adjustments</b>				
1	Common Equity Tier 1 capital (CET1)	494,583		
2	Additional Tier 1 capital (AT1)	50,000		
3	Empty set in the EU			
4	Empty set in the EU			
5	Empty set in the EU			
6	Tier 2 capital (T2)	60,000		
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	604,583		

<b>Own funds and eligible liabilities: Non-regulatory capital elements</b>				
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	300,000		
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)			
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities issued prior to 27 June 2019 (subordinated grandfathered)			
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			
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre-cap)			
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)			
14	Amount of non subordinated eligible liabilities instruments, where applicable after application of Article 72b (3) CRR	n/a		
15	Empty set in the EU			
16	Empty set in the EU			
17	Eligible liabilities items before adjustments	300,000		
EU-17a	Of which subordinated liabilities items	300,000		
<b>Own funds and eligible liabilities: Adjustments to non-regulatory capital elements</b>				
18	Own funds and eligible liabilities items before adjustments	904,583		
19	(Deduction of exposures between multiple point of entry (MPE) resolution groups)	n/a		n/a
20	(Deduction of investments in other eligible liabilities instruments)	n/a		n/a
21	Empty set in the EU			
22	Own funds and eligible liabilities after adjustments	904,583		
EU-22a	Of which: own funds and subordinated liabilities	904,583	n/a	n/a
<b>Risk-weighted exposure amount and leverage exposure measure of the resolution group</b>				
23	Total risk exposure amount (TREA)	2,716,369		
24	Total exposure measure (TEM)	5,461,767		
<b>Ratio of own funds and eligible liabilities</b>				
25	Own funds and eligible liabilities as a percentage of TREA	33.3%		
EU-25a	Of which own funds and subordinated liabilities	33.3%	n/a	n/a
26	Own funds and eligible liabilities as a percentage of TEM	16.6%		
EU-26a	Of which own funds and subordinated liabilities	16.6%	n/a	n/a
27	CET1 (as a percentage of the TREA) available after meeting the resolution group's requirements	7.4%		n/a
28	Institution-specific combined buffer requirement	n/a		n/a
29	of which capital conservation buffer requirement	n/a		n/a
30	of which countercyclical buffer requirement	n/a		n/a
31	of which systemic risk buffer requirement	n/a		n/a
EU-31a	of which Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	n/a		n/a
<b>Memorandum items</b>				
EU-32	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013	n/a		n/a

EU TLAC3b: Creditor ranking - resolution entity

	Insolvency ranking																	Sum of 1 to 17		
	1 (most junior)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17 (most senior)			
1	Description of insolvency rank (free text)	Equity	Additional Tier 1 instruments	Tier 2 instruments	Other liabilities (iMREL)	Subordinated claims	Non-preferred creditor claims arising from non-subordinated, unsecured non-structured debt instruments	Other unsecured claims (MREL)	Rem-Leg	Rem-Leg	State	Tax-Soc	Tax-Soc	Emp	Dep-ISME	Ins-Dep	Insolv	Claims subject to a right of segregation in insolvency proceedings		
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	469,283	50,820	60,491	-	-	-	300,287	-	-	-	-	-	-	-	-	-	-	-	880,881
6	of which residual maturity ≥ 1 year < 2 years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	of which residual maturity ≥ 2 year < 5 years	-	-	-	-	-	-	300,287	-	-	-	-	-	-	-	-	-	-	-	300,287
8	of which residual maturity ≥ 5 years < 10 years	-	-	60,491	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60,491
9	of which residual maturity ≥ 10 years, but excluding perpetual securities	-	50,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,820
10	of which perpetual securities	469,283	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	469,283

## EU OV1 – Overview of total risk exposure amounts

	RWAs		Minimum capital requirements	
	31/12/2025	30/09/2025	31/12/2025	
1	Credit risk (excluding CCR)	2,391,777	2,322,500	191,342
2	Of which the standardised approach	2,391,777	2,322,500	191,342
3	Of which the foundation IRB (FIRB) approach	-	-	-
4	Of which: slotting approach	-	-	-
EU 4a	Of which: equities under the simple risk weighted approach	-	-	-
5	Of which the advanced IRB (AIRB) approach	-	-	-
6	CCR	6,774	6,630	542
7	Of which the standardised approach	-	-	-
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	-	-	-
9	Of which other CCR	6,774	6,630	542
10	Credit valuation adjustments risk - CVA risk	3,173	2,893	254
EU 10a	Of which the standardised approach (SA)	-	-	-
EU 10b	Of which the basic approach (F-BA and R-BA)	3,173	2,893	254
EU 10c	Of which the simplified approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	-	-	-
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250%/ deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	2,679	4,965	214
21	Of which the Alternative standardised approach (A-SA)	-	-	-
21a	Of which the Simplified standardised approach (S-SA)	2,679	4,965	214
22	Of which Alternative Internal Model Approach (A-IMA)	-	-	-
EU 22a	Large exposures	-	-	-
23	Reclassifications between the trading and non-trading books	-	-	-
24	Operational risk	311,967	304,456	24,957
EU 24a	Exposures to crypto-assets	-	-	-
25	<b>Amounts below the thresholds for deduction (subject to 250% risk weight)</b>	2,634	2,643	211
26	Output floor applied (%)	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-
29	<b>Total</b>	<b>2,716,369</b>	<b>2,641,444</b>	<b>217,310</b>

## EU INS1 – Insurance participations

	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	4,269	10,672

## EU INS2 – Financial conglomerates information on own funds and capital adequacy ratio

	a	
	31/12/2025	
1	Supplementary own fund requirements of the financial conglomerate (amount)	-
2	Capital adequacy ratio of the financial conglomerate (%)	-

**CREDIT VALUATION ADJUSTMENT RISK**

## EU CVAA – Qualitative disclosure requirements related to credit valuation adjustment risk

- (a) Point (a) of Article 445a(1) CRR  
A description of the institution's processes to manage credit valuation adjustment risk, including:  
- a description of the processes implemented to identify, measure, monitor and control the institution's credit valuation adjustment risks;  
- a description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges.
- (b) Point (b) of Article 445a(1) CRR  
An explanation whether the institution meets all the conditions set out in Article 273a(2); where those conditions are met, whether institution has chosen to calculate the own funds requirements for CVA risk using the simplified approach set out in Article 385; where institutions have chosen to calculate the own funds requirements for
- CVA risk is subject to the governance, oversight, and reporting standards applicable across the Group's risk management function. The Group monitors regulatory capital requirements associated with CVA as part of its overall capital adequacy assessment.
- The Group calculates own fund requirements for credit valuation adjustment using Basic approach in accordance with Part Three, Title VI for derivatives and separate securities financing transactions. The Group does not have eligible for CVA hedges. The risk weight

CVA risk using the simplified approach, the own funds requirements for CVA risk in accordance with that approach.

for CVA is assigned to counterparty based on counterparty's credit quality and sector. The effective maturity is determined without a cap, using CRR Article 162.

**EU CVA 2 – Credit valuation adjustment risk under the Full Basic Approach (F-BA)**

		a Own funds requirements	EU b Notional of CVA hedges
1	BACVA <sup>CSF-unhedged</sup>	1,015	n/a
2	BACVA <sup>CSF-hedged</sup>	-	n/a
3	Total	254	n/a
EU 4	Single-name CDS	n/a	-
EU 5	Index CDS	n/a	-
EU 6	Total	n/a	-

**CREDIT RISK AND CREDIT RISK MITIGATION (CRM)**

Credit risk is the risk that the Group will incur a loss from debtor's non-performance or default. The Group is exposed to credit risk in its lending, investing and transaction activities, as well as in respect of the guarantees issued to or received from third parties and other off-balance sheet commitments to third parties.

Credit risk management is safeguarded through a comprehensive set of control mechanisms, including well-defined underwriting standards, key risk indicators (KRIs) and limits, and a governance framework that promotes an effective risk culture and sound decision-making. The framework is further reinforced by systematic risk identification and assessment processes, as well as robust data governance and reporting practices.

Lending decisions are grounded in an assessment of the borrower's repayment capacity, supported by the availability of an alternative recovery option in the event of default or a material deterioration in the borrower's risk profile.

When significant credit risk is to be undertaken, the credit risk analysis is carried out by units independent of loan origination. Credit analysis includes comprehensive risk identification, probability-of-default (PD) calculation, and an assessment of the borrower's creditworthiness, collateral quality, and collateral liquidity.

For legal entities, the creditworthiness assessment covers risk identification, an evaluation of the shareholder structure and management, industry and peer analysis, the business model and financed project, as well as an assessment of the entity's credit history, current and projected financial position, sensitivity to key risk drivers, and relevant ESG factors.

For private individuals, the assessment focuses on credit history and affordability analysis.

For significant exposures, loan origination decisions are taken by the Credit Committee and approved by the Bank's Management Board.

For the acquisition of corporate bonds, the Group conducts a thorough assessment of the issuer's business profile and financial performance. This includes consideration of credit ratings assigned by international rating agencies or, where no external rating is available, an internal counterparty financial analysis supported by relevant market-based indicators.

Sovereign bonds are evaluated using a similar approach, with emphasis placed on fundamental country-level factors, including economic strength, institutional quality, government fiscal capacity, political risk, and other material macro-financial indicators.

After loan origination, the borrower's financial position, early-warning indicators, payment discipline, and overall ability to meet contractual obligations are regularly monitored. This ongoing monitoring enables the timely identification of credit quality deterioration and the implementation of appropriate classification measures and action plans, which may include enhanced monitoring, forbearance solutions, and strengthening the Group's creditor position where necessary.

The Group continuously monitors the quality of its loan and securities portfolios, assessing their structure, concentration levels, performance trends, and overall risk profile. To mitigate concentration risk, the Group diversifies its exposures and applies a comprehensive system of credit risk concentration limits. These include individual counterparty and issuer limits, maximum exposure limits based on the counterparty's or issuer's risk class, limits on internally risk-weighted exposures within specific country or sector combinations, limits for groups of connected clients, large exposure limits, related-party transaction limits, and industry-specific limits.

Credit risk management follows the three lines of defence governance model. The first line of defence, comprising business units, is responsible for assuming and managing credit risk in day-to-day operations and for implementing first level controls. The second line of defence is responsible for maintaining and overseeing the risk management framework, including the monitoring, analysis, and reporting of risks, as well as ensuring compliance with internal and regulatory requirements. The third line of defence carried out by Internal audit.

In addition to the credit risk, which is inherent in the Group's loan portfolio and fixed income securities portfolio, the Group is also exposed to credit risk as a result of its banking relationships with multiple credit institutions which it maintains in order to process customer transactions in a prompt and efficient manner. The Group manages its exposure to commercial banks and brokerage companies by monitoring on a regular basis the credit ratings of such institutions, conducting due diligence of their credit profiles and monitoring the individual exposure limits applicable to counterparties set by the Financial Market and Counterparty Risk Committee (FMCRC). The Group's exposures to derivative counterparties arise from its activities in managing foreign exchange risk and interest rate risk. The Group executes counterparty risk assessment and accepts only counterparties which are within its risk appetite limits.

**EU CRA: General qualitative information about credit risk****Qualitative disclosures**

- (a) In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.  
See text above
- (b) When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.  
See text above
- (c) When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function.  
See text above
- (d) When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions.  
See text above

**EU CRB: Additional disclosure related to the credit quality of assets****Qualitative disclosures**

- (a) The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.  
Past due exposures refer to exposures where amounts due for payment have not been paid in accordance with the payment terms of the credit agreements.
- The scope of 'impaired' exposures used for accounting purposes and the definition of default for regulatory purposes are as specified by the EBA Guidelines on the application of the definition of default. Credit-impaired exposures are presented as stage 3 according to the IFRS 9.
- (b) The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.  
All exposures past-due more than 90 days are considered past-due exposures and are considered credit impaired for accounting purposes. All financial assets are assessed for expected credit losses.  
Description of methods used for determining general and specific credit risk adjustments.  
Credit impairment provisions are calculated in line with the IFRS 9.  
The exposures are allocated to one of three stages:
- (c) Stage 1 - Performing exposures where the credit risk has not increased significantly since initial recognition.  
Stage 2 - Performing exposures where the risk of default has increased significantly since initial recognition, but the asset is still not classified as credit-impaired  
Stage 3 - Credit-impaired exposures.  
All exposures by default are assessed collectively for expected credit losses, and the corresponding impairment allowances or provisions for off-balance sheet exposures are presented as general credit risk adjustments. The key inputs used in the quantitative models are probability of default (PD), loss given default (LGD), exposure at default (EAD), expected lifetime and forward-looking macroeconomic scenarios.  
For larger loan book exposures, where there are indications of impairment, an individual expected credit loss assessment is carried out based on expected cash flows according to possible recovery scenarios and, if based on the assessment, the exposure is impaired the resulting impairments allowance and provisions are presented as specific credit risk adjustment. For large exposures, which have no impairment indicators or were based on the individual assessment are not impaired, expected credit losses are assessed collectively and presented as general credit risk adjustments.  
Forborne exposures refer to exposures where the contractual terms have been modified due to the customer's financial difficulties as per Article 47b CRR.
- (d) The purpose of forbearance measures is to enable the borrower to make full payments again and to avoid foreclosure, or when this is not considered possible, to maximise the repayment of outstanding exposures.  
Changes in contractual terms include various forms of concessions. Depending on when the forbearance measures are taken and the severity of the financial difficulties of the borrower, the forborne exposure could either be classified as performing or non-performing.

## EU CQ4: Quality of non-performing exposures by geography

	a	b	c	d	e	f	g
	<u>Gross carrying / Nominal amount</u>				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non- performing exposures
	<u>of which: non- performing</u>		<u>of which: subject to impairment</u>				
		<u>of which: defaulted</u>					
010 <b>On balance sheet exposures</b>	<b>4,850,639</b>	<b>65,108</b>	<b>65,108</b>	<b>4,653,689</b>	<b>(81,605)</b>	-	-
020 <i>Latvia</i>	1,921,481	24,266	24,266	1,792,645	(37,558)	n/a	-
030 <i>Lithuania</i>	1,937,124	28,705	28,705	1,869,010	(30,153)	n/a	-
040 <i>Estonia</i>	834,509	11,902	11,902	834,509	(13,634)	n/a	-
050 <i>Germany</i>	40,898	-	-	40,898	(2)	n/a	-
060 <i>United States</i>	30,027	2	2	30,027	(9)	n/a	-
070 <i>Other countries</i>	86,600	232	232	86,600	(249)	n/a	-
080 <b>Off balance sheet exposures</b>	<b>496,548</b>	<b>724</b>	<b>724</b>	<b>n/a</b>	<b>n/a</b>	<b>2,341</b>	<b>n/a</b>
090 <i>Latvia</i>	235,870	554	554	n/a	n/a	1,372	n/a
100 <i>Lithuania</i>	214,361	167	167	n/a	n/a	804	n/a
110 <i>Estonia</i>	44,325	2	2	n/a	n/a	160	n/a
120 <i>Netherlands</i>	1,426	-	-	n/a	n/a	3	n/a
130 <i>Germany</i>	251	-	-	n/a	n/a	1	n/a
140 <i>Other countries</i>	315	-	-	n/a	n/a	1	n/a
150 <b>Total</b>	<b>5,347,187</b>	<b>65,832</b>	<b>65,832</b>	<b>4,653,689</b>	<b>(81,605)</b>	<b>2,341</b>	<b>-</b>

## EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

	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	210,930	21,814	21,814	210,930	(13,803)	-
020 Mining and quarrying	7,334	54	54	7,334	(120)	-
030 Manufacturing	175,237	8,608	8,608	175,237	(4,230)	-
040 Electricity, gas, steam and air conditioning supply	154,275	369	369	154,275	(1,125)	-
050 Water supply	13,469	9	9	13,469	(118)	-
060 Construction	166,433	3,520	3,520	166,433	(3,611)	-
070 Wholesale and retail trade	266,681	7,815	7,815	266,681	(6,844)	-
080 Transport and storage	186,592	2,939	2,939	186,592	(2,890)	-
090 Accommodation and food service activities	37,434	109	109	37,434	(522)	-
100 Information and communication	23,050	267	267	23,050	(559)	-
110 Financial and insurance activities	515	27	27	515	(13)	-
120 Real estate activities	478,578	1,345	1,345	478,578	(4,118)	-
130 Professional, scientific and technical activities	105,836	797	797	105,836	(1,476)	-
140 Administrative and support service activities	131,858	1,452	1,452	131,858	(1,930)	-
150 Public administration and defence, compulsory social security	63	-	-	63	(1)	-
160 Education	5,355	149	149	5,355	(176)	-
170 Human health services and social work activities	19,573	150	150	19,573	(287)	-
180 Arts, entertainment and recreation	23,068	209	209	23,068	(427)	-
190 Other services	8,321	77	77	8,321	(169)	-
<b>200 Total</b>	<b>2,014,602</b>	<b>49,710</b>	<b>49,710</b>	<b>2,014,602</b>	<b>(42,419)</b>	<b>-</b>



EU CR1-A: Maturity of exposures

	a	b	c	d	e	f
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances	12,161	826,078	2,046,887	879,080	-	3,764,206
2 Debt securities	-	196,457	601,119	207,252	-	1,004,828
<b>3 Total</b>	<b>12,161</b>	<b>1,022,535</b>	<b>2,648,006</b>	<b>1,086,332</b>	<b>-</b>	<b>4,769,034</b>

EU CQ3: Credit quality of performing and non-performing exposures by past due days

	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 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 year <= 5 years	Past due > 5 year <= 7 years	Past due > 7 years	Of which defaulted	
<b>005 Cash balances at central banks and other demand deposits</b>	<b>473,727</b>	<b>473,727</b>	-	-	-	-	-	-	-	-	-	-
<b>010 Loans and advances</b>	<b>3,780,401</b>	<b>3,772,640</b>	<b>7,761</b>	<b>65,108</b>	<b>32,140</b>	<b>5,940</b>	<b>9,067</b>	<b>14,122</b>	<b>2,354</b>	<b>986</b>	<b>497</b>	<b>65,108</b>
020 Central banks	-	-	-	-	-	-	-	-	-	-	-	-
030 General governments	18,124	18,124	-	-	-	-	-	-	-	-	-	-
040 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
050 Other financial corporations	29,036	29,021	15	8	8	-	-	-	-	-	-	8
060 Non-financial corporations	1,964,892	1,961,855	3,037	49,710	24,923	3,315	6,768	12,504	1,257	759	185	49,710
070 Of which SMEs	1,505,417	1,502,409	3,008	49,421	24,773	3,267	6,764	12,455	1,249	759	156	49,421
080 Households	1,768,350	1,763,640	4,710	15,389	7,209	2,625	2,300	1,619	1,097	227	312	15,389
<b>090 Debt Securities</b>	<b>1,005,130</b>	<b>1,005,130</b>	-	-	-	-	-	-	-	-	-	-
100 Central banks	-	-	-	-	-	-	-	-	-	-	-	-
110 General governments	909,223	909,223	-	-	-	-	-	-	-	-	-	-
120 Credit institutions	47,862	47,862	-	-	-	-	-	-	-	-	-	-
130 Other financial corporations	6,694	6,694	-	-	-	-	-	-	-	-	-	-
140 Non-financial corporations	41,351	41,351	-	-	-	-	-	-	-	-	-	-
<b>150 Off-balance sheet exposures</b>	<b>495,825</b>	<b>n/a</b>	<b>n/a</b>	<b>724</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>724</b>
160 Central banks	-	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
170 General governments	24	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
180 Credit institutions	2,125	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
190 Other financial corporations	27,479	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
200 Non-financial corporations	337,858	n/a	n/a	631	n/a	n/a	n/a	n/a	n/a	n/a	n/a	631
210 Households	128,339	n/a	n/a	93	n/a	n/a	n/a	n/a	n/a	n/a	n/a	93
<b>220 Total</b>	<b>5,755,082</b>	<b>5,251,497</b>	<b>7,761</b>	<b>65,832</b>	<b>32,140</b>	<b>5,940</b>	<b>9,067</b>	<b>14,122</b>	<b>2,354</b>	<b>986</b>	<b>497</b>	<b>65,832</b>

**EU CRC – Qualitative disclosure requirements related to CRM techniques**

- Article 453 (a) CRR (a) Netting is not used as a CRM technique both for on-balance sheet and off-balance sheet exposures.
- Article 453 (b) CRR (b) The valuation of the government guarantees and cash security deposits is the guaranteed amount as there is no volatility of mark-to-market adjustments to these types of CRM items.
- Article 453 (c) CRR (c) The only types of collateral considered for CRM are government or state-owned development finance institution guarantees, guarantees provided by institutions and cash security deposits placed with the institution.
- Article 453 (d) CRR (d) Prudently no credit derivatives are considered for the purposes of reducing capital requirements.
- Article 453 (e) CRR (e) There is no CRM concentration risk from non-governmental counterparties.

**EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques**

	Unsecured carrying amount	Secured carrying amount			
		a	b	Of which secured by collateral	Of which secured by financial guarantees
					c
					e
1 Loans and advances	1,151,934	3,085,999	3,036,559	49,439	-
2 Debt securities	1,004,828	-	-	-	n/a
<b>3 Total</b>	<b>2,156,761</b>	<b>3,085,999</b>	<b>3,036,559</b>	<b>49,439</b>	<b>-</b>
4 <i>Of which non-performing exposures</i>	3,293	29,758	27,853	1,905	-
5 <i>Of which defaulted</i>	3,293	29,758	n/a	n/a	n/a

**EU CRD – Qualitative disclosure requirements related to standardised approach**

- Article 444(a) Credit ratings issued by the three biggest rating agencies are used by the institution. No ratings issued by other external credit assessment institutions (ECAIs) are used.
- Article 444(b) For all eligible exposure classes eligible ECAI ratings are used.
- Article 444(c) No credit rating issued for one asset is transferred onto comparable assets in the banking book.
- Article 444(d) The alphanumerical scale of each agency is aligned with the credit quality steps prescribed in Part Three, Title II, Chapter 2 of the CRR (as specified by the EBA).

## EU CR4 – Standardised approach – Credit risk exposure and CRM effects

	Exposure classes	a		b		c		d		e		f	
		Exposures before CCF and before CRM				Exposures post CCF and post CRM				RWAs and RWAs density			
		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet amount	On-balance sheet exposures	Off-balance sheet amount	RWEA	RWEA density (%)				
1	Central governments or central banks	1,318,182	-	1,344,925	1,982	431	0%						
2	Non-central government public sector entities	57,410	24	58,910	9	6,628	11%						
EU 2a	Regional government or local authorities	49,959	-	51,551	9	2,949	6%						
EU 2b	Public sector entities	7,451	24	7,359	-	3,679	50%						
3	Multilateral development banks	19,140	-	195,409	-	-	0%						
EU 3a	International organisations	-	-	-	-	-	-						
4	Institutions	49,272	1,919	49,272	384	13,619	27%						
5	Covered bonds	4,292	-	4,292	-	429	10%						
6	Corporates	675,507	289,194	651,902	40,190	612,732	89%						
6.1	Of which: Specialised Lending	169,279	24,030	156,139	9,385	162,266	98%						
7	Subordinated debt exposures and equity	4,695	-	4,695	-	11,737	250%						
EU 7a	Subordinated debt exposures	-	-	-	-	-	-						
EU 7b	Equity	4,695	-	4,695	-	11,737	250%						
8	Retail	1,284,913	146,192	1,276,937	18,944	872,739	67%						
9	Secured by mortgages on immovable property and ADC exposures	1,626,507	56,399	1,556,146	20,842	778,405	49%						
9.1	Secured by mortgages on residential immovable property - non IPRE	948,846	11,491	924,344	4,070	289,724	31%						
9.2	Secured by mortgages on residential immovable property - IPRE	15,538	1,015	15,201	230	6,348	41%						
9.3	Secured by mortgages on commercial immovable property - non IPRE	185,393	16,311	171,626	5,571	110,847	63%						
9.4	Secured by mortgages on commercial immovable property - IPRE	412,511	3,340	389,196	1,289	273,294	70%						
9.5	Acquisition, Development and Construction (ADC)	64,220	24,242	55,779	9,682	98,191	150%						
10	Exposures in default	27,860	277	25,842	52	31,222	121%						
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-						
EU 10b	Collective investments undertakings	-	-	-	-	-	-						
EU 10c	Other items	117,380	199	193,097	24,178	63,836	29%						
<b>12</b>	<b>Total</b>	<b>5,185,158</b>	<b>494,204</b>	<b>5,361,427</b>	<b>106,581</b>	<b>2,391,777</b>	<b>44%</b>						

EU CR5: Standardised approach

Exposure classes		Risk weight													
		0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments or central banks	1,344,753	-	-	-	2,154	-	-	-	-	-	-	-	-	-
2	Non-central government public sector entities	36,819	-	-	-	14,743	-	-	-	-	7,359	-	-	-	-
EU 2a	Regional governments or local authorities	36,818	-	-	-	14,743	-	-	-	-	-	-	-	-	-
EU 2b	Public sector entities	1	-	-	-	-	-	-	-	-	7,359	-	-	-	-
3	Multilateral development banks	195,409	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 3a	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Institutions	-	-	-	-	12,780	36,876	-	-	-	-	-	-	-	-
5	Covered bonds	-	-	-	4,292	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	12,614	-	-	-	-	9,512	-	-	49,212	-
6.1	Of which: Specialised Lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Subordinated debt exposures and equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 7b	Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail exposures	-	-	-	-	-	-	-	-	7,735	-	-	-	1,286,008	-
9	Secured by mortgages on immovable property and ADC exposures	-	-	-	-	739,008	3,041	6,953	-	3,321	-	122,748	303,283	190,583	-
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	-	739,008	-	-	-	-	-	-	-	184,670	-
9.1.1	no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	-	39,651	-
9.1.2	loan splitting applied (secured)	-	-	-	-	739,008	-	-	-	-	-	-	-	-	-
9.1.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	145,019	-
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	3,041	6,953	-	3,321	-	-	-	-	-
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	-	-	-	-	-	-	122,748	-	5,913	-
9.3.1	no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	-	3,036	-
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	-	122,748	-	-	-
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	2,877	-
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	-	-	-	-	-	-	-	303,283	-	-
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10c	Other items	114,129	-	-	-	51,062	-	-	-	-	-	-	-	-	-
EU 11c	<b>TOTAL</b>	<b>1,691,109</b>	-	-	<b>4,292</b>	<b>832,360</b>	<b>39,917</b>	<b>6,953</b>	-	<b>11,056</b>	<b>16,871</b>	<b>122,748</b>	<b>303,283</b>	<b>1,525,804</b>	-

EU CR5: Standardised approach (continued)

	Exposure classes	Risk weight											Total	Of which unrated
		90%	100%	105%	110%	130%	150%	250%	370%	400%	1250%	Others		
		o	p	q	r	s	t	u	v	w	x	y	z	aa
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	1,346,907	-
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-	-	58,920	-
EU 2a	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	51,561	-
EU 2b	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	7,359	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	195,409	-
EU 3a	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Institutions	-	-	-	-	-	-	-	-	-	-	-	49,656	-
5	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	4,292	-
6	Corporates	-	563,409	-	-	57,345	-	-	-	-	-	-	692,092	692,092
6.1	Of which: Specialised Lending	-	108,179	-	-	57,345	-	-	-	-	-	-	165,524	165,524
7	Subordinated debt exposures and equity	-	-	-	-	-	-	4,695	-	-	-	-	4,695	4,695
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 7b	Equity	-	-	-	-	-	-	4,695	-	-	-	-	4,695	4,695
8	Retail exposures	-	2,138	-	-	-	-	-	-	-	-	-	1,295,881	1,295,881
9	Secured by mortgages on immovable property and ADC exposures	30,241	53,272	230	19,008	-	105,299	-	-	-	-	-	1,576,988	1,576,988
9.1	Secured by mortgages on residential immovable property - non IPRE	-	4,736	-	-	-	-	-	-	-	-	-	928,414	928,414
9.1.1	no loan splitting applied	-	1,886	-	-	-	-	-	-	-	-	-	41,537	41,537
9.1.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	-	-	739,008	739,008
9.1.3	loan splitting applied (unsecured)	-	2,850	-	-	-	-	-	-	-	-	-	147,869	147,869
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	230	-	-	1,886	-	-	-	-	-	15,431	15,431
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	48,536	-	-	-	-	-	-	-	-	-	177,197	177,197
9.3.1	no loan splitting applied	-	10,173	-	-	-	-	-	-	-	-	-	13,209	13,209
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	-	-	122,748	122,748
9.3.3	loan splitting applied (unsecured)	-	38,363	-	-	-	-	-	-	-	-	-	41,240	41,240
9.4	Secured by mortgages on commercial immovable property - IPRE	30,241	-	-	19,008	-	37,952	-	-	-	-	-	390,485	390,485
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	65,461	-	-	-	-	-	65,461	65,461
10	Exposures in default	-	15,240	-	-	-	10,655	-	-	-	-	-	25,894	25,894
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10c	Other items	-	50,990	-	-	-	-	1,053	-	-	-	40	217,275	217,235
<b>EU 11c</b>	<b>TOTAL</b>	<b>30,241</b>	<b>685,049</b>	<b>230</b>	<b>19,008</b>	<b>57,345</b>	<b>115,953</b>	<b>5,748</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>5,468,008</b>	<b>3,812,785</b>

EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

		General credit exposures					Relevant credit exposures – Market risk					Own funds requirements			
		Exposure value under the SA	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	Securitisation exposures value for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)	
010	<b>Breakdown by country:</b>														
	LATVIA	1,597,083	-	-	-	-	1,597,083	78,354	-	-	78,354	979,423	41%	1%	
	LITHUANIA	1,520,679	-	-	-	-	1,520,679	78,877	-	-	78,877	985,960	42%	1%	
	ESTONIA	661,624	-	-	-	-	661,624	31,144	-	-	31,144	389,301	16%	2%	
	UNITED STATES	12,853	-	-	-	-	12,853	474	-	-	474	5,923	0%	0%	
	AUSTRIA	6,659	-	-	-	-	6,659	107	-	-	107	1,337	0%	0%	
	NETHERLANDS	5,906	-	-	-	-	5,906	295	-	-	295	3,691	0%	2%	
	BELGIUM	5,465	-	-	-	-	5,465	452	-	-	452	5,647	0%	1%	
	MALAYSIA	2,559	-	-	-	-	2,559	102	-	-	102	1,280	0%	0%	
	SLOVAKIA	2,268	-	-	-	-	2,268	18	-	-	18	227	0%	2%	
	FINLAND	2,039	-	-	-	-	2,039	17	-	-	17	214	0%	0%	
	CANADA	879	-	-	-	-	879	35	-	-	35	435	0%	0%	
	RUSSIAN FEDERATION	701	-	-	-	-	701	25	-	-	25	316	0%	0%	
	UNITED KINGDOM	420	-	-	-	-	420	16	-	-	16	206	0%	2%	
	UZBEKISTAN	345	-	-	-	-	345	8	-	-	8	99	0%	0%	
	AUSTRALIA	235	-	-	-	-	235	8	-	-	8	100	0%	1%	
	GERMANY	158	-	-	-	-	158	4	-	-	4	52	0%	1%	
	CYPRUS	113	-	-	-	-	113	2	-	-	2	29	0%	1%	
	ARMENIA	90	-	-	-	-	90	2	-	-	2	26	0%	2%	
	NORWAY	72	-	-	-	-	72	3	-	-	3	41	0%	3%	
	KAZAKHSTAN	69	-	-	-	-	69	2	-	-	2	21	0%	0%	
	UNITED ARAB EMIRATES	64	-	-	-	-	64	6	-	-	6	72	0%	0%	
	IRELAND	57	-	-	-	-	57	3	-	-	3	43	0%	2%	
	CZECH REPUBLIC	56	-	-	-	-	56	1	-	-	1	11	0%	1%	
	SPAIN	52	-	-	-	-	52	1	-	-	1	10	0%	1%	
	LUXEMBOURG	42	-	-	-	-	42	1	-	-	1	8	0%	1%	
	UKRAINE	25	-	-	-	-	25	1	-	-	1	19	0%	0%	
	AZERBAIJAN	25	-	-	-	-	25	1	-	-	1	8	0%	0%	
	CHINA	14	-	-	-	-	14	1	-	-	1	16	0%	0%	
	BELARUS	10	-	-	-	-	10	1	-	-	1	11	0%	0%	
	KYRGYZSTAN	2	-	-	-	-	2	-	-	-	-	2	0%	0%	

	POLAND	1	-	-	-	-	1	-	-	-	-	1	0%	1%
	TAJIKISTAN	1	-	-	-	-	1	-	-	-	-	1	0%	0%
020	Total	<b>3,820,565</b>	-	-	-	-	<b>3,820,565</b>	<b>189,962</b>	-	-	<b>189,962</b>	<b>2,374,528</b>	<b>100%</b>	

In accordance with the EC 1152/2014 foreign exposures, whose aggregate does not exceed 2% of the aggregate of the general credit, trading book and securitisation exposures of that institution are allocated to an institution's home member state. The Article 140.4 of the 2013/36/EU requires only relevant credit exposures of the institution to be included in the countercyclical capital buffer calculating.

Part of the exposures reported, relate to Kaleido Privatbank AG which as of the period end was classified as discontinued operations and was sold in July 2025. The sale of Kaleido Privatbank AG is a further step in Citadele's strategy to concentrate on its core activities in the Baltics and support local economies.

**EU CCyB2 – Amount of institution-specific countercyclical capital buffer**

		a
1	Total risk exposure amount	2,716,369
2	Institution specific countercyclical capital buffer rate	1.1%
3	Institution specific countercyclical capital buffer requirement	29,326

EU CQ1: Credit quality of forborne exposures

	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			Collaterals received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures	
		Of which defaulted	Of which impaired						
005 Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010 Loans and advances	16,281	23,886	23,886	23,886	(563)	(11,343)	23,804		10,773
020 Central banks	-	-	-	-	-	-	-	-	-
030 General governments	-	-	-	-	-	-	-	-	-
040 Credit institutions	-	-	-	-	-	-	-	-	-
050 Other financial corporations	-	-	-	-	-	-	-	-	-
060 Non-financial corporations	9,467	21,529	21,529	21,529	(158)	(9,691)	18,600		10,167
070 Households	6,814	2,357	2,357	2,357	(405)	(1,652)	5,204		607
080 Debt Securities	-	-	-	-	-	-	-	-	-
090 Loan commitments given	18	414	414	414	-	268	20		2
<b>100 Total</b>	<b>16,300</b>	<b>24,300</b>	<b>24,300</b>	<b>24,300</b>	<b>(563)</b>	<b>(11,075)</b>	<b>23,824</b>		<b>10,775</b>

## COUNTERPARTY CREDIT RISK

Counterparty credit risk is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows. Group's counterparty credit risk arises primarily from currency and interest rate derivatives transactions. The Group applies Simplified Standardised Approach (Simplified SA CCR) to calculate counterparty credit risk.

### EU CCRA – Qualitative disclosure related to CCR

(a) Article 439 (a) CRR	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 counterparties The methodology involves assessing the credit risk associated with each counterparty, incorporating evaluation factors such as their credit rating, financial health, industry, and other relevant qualitative and quantitative metrics. Exposure to a particular counterparty is constrained by individual limits approved by the Financial Markets and Counterparty Risks Committee and the Management Board. Concentration risk for counterparties is limited by the Group's risk strategy based on internal risk classes. These classes are assigned to each counterparty primarily based on its credit rating. However, a lower internal risk class may be assigned if additional factors, identified through creditworthiness analysis, are deemed as triggers for the counterparty's health.
(b) Article 439 (b) CRR	Description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves Citadele only engages in exchanges with initial and variation margins under the Credit Support Annex (CSA).
(c) Article 439 (c) CRR	Description of policies with respect to Wrong-Way risk as defined in Article 291 of the CRR Citadele regularly monitors counterparties' credit ratings and changes, with reports submitted to the Financial Markets and Counterparty Risks Committee. If necessary, internal risk classes and limits are revised to mitigate potential increases in exposures.
(d) Article 431 (3) and (4) CRR	Any other risk management objectives and relevant policies related to CCR Citadele conducts reviews of the creditworthiness of counterparties and discusses them in the Financial Markets and Counterparty Risks Committee. Adjustments to counterparty internal risk class and limits are made as necessary.
(e) Article 439 (d) CRR	The amount of collateral the institution would have to provide if its credit rating was downgraded Citadele does not have such obligations in the event of a credit rating downgrade.

EU CCR1 – Analysis of CCR exposure by approach

	a	b	c	d	e	f	g	h
	Replace- ment 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
EU1 EU – Original Exposure Method (for derivatives)	-	-	n/a	1.4	-	-	-	-
EU2 EU – Simplified SA CCR (for derivatives)	1,747	9,353	n/a	1.4	15,536	15,536	15,536	6,774
1 SA – CCR (for derivatives)	-	-	n/a	1.4	-	-	-	-
2 IMM (for derivatives and SFTs)	n/a	n/a	-	1.2	-	-	-	-
2a <i>Of which securities financing transactions netting sets</i>	n/a	n/a	-	n/a	-	-	-	-
2b <i>Of which derivatives and long settlement transactions netting sets</i>	n/a	n/a	-	n/a	-	-	-	-
2c <i>Of which from contractual cross-product netting sets</i>	n/a	n/a	-	n/a	-	-	-	-
3 Financial collateral simple method (for SFTs)	n/a	n/a	n/a	n/a	-	-	-	-
4 Financial collateral comprehensive method (for SFTs)	n/a	n/a	n/a	n/a	-	-	-	-
5 VaR for SFTs	n/a	n/a	n/a	n/a	-	-	-	-
6 <b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>15,536</b>	<b>15,536</b>	<b>15,536</b>	<b>6,774</b>

Credit Valuation Adjustment is an adjustment to the mid-market valuation of the portfolio of transactions with a counterparty. That adjustment reflects the current market value of the credit risk of the counterparty to the institution in relation to transactions with derivatives.

EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

Exposure classes	Risk weight											Total exposure value
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1 Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2 Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3 Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4 Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Institutions	-	-	-	-	2,823	-	-	-	-	-	9,263	12,086
7 Corporates	-	-	-	-	-	-	-	-	3,450	-	-	3,450
8 Retail	-	-	-	-	-	-	-	-	-	-	-	-
9 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10 Other items	-	-	-	-	-	-	-	-	-	-	-	-
11 <b>Total exposure value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,823</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,450</b>	<b>-</b>	<b>9,263</b>	<b>15,536</b>

**SECURITISATION**

EU-SECA – Qualitative disclosure requirements related to securitisation exposures

Legal basis	Row number	Qualitative information
Article 449(a) CRR	(a)	<p>Description of securitisation and re-securitisation activities; including institutions' risk management and investment objectives in connection with those activities, their role in securitisation and re-securitisation transactions whether they use the Simple Transparent and Standardised (STS) securitisation framework and the extent to which they use securitisation transactions to transfer the credit risk of the securitised exposures to third parties with, where applicable, a separate description of their synthetic securitisation risk transfer policy</p> <p>Citadele is participating in a Private Synthetic Securitisation, non-STS (Simple Transparent and Standardised). Therefore, STS securitisation framework is not applied. The total risk retained is calculated from the overcollateralized underlying loan portfolio. The collateralised loan portfolio is not derecognised for accounting purposes and is reported as loans. For more details refer to the summary of the Group's key accounting policies in the most recent annual report.</p>
Article 449(b) CRR	(b)	<p>The type of risk that institutions are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions, providing a distinction between STS and non-STS positions and:</p> <p>i) risk retained in own-originated transactions;</p> <p>ii) risk incurred in relation to transactions originated by third parties</p>

		<p>Citadele has only own-originated securitisation transaction. Citadele is not participating in securitisation transactions originated by third parties.</p> <p>Risk of Citadele is limited to the first loss tranche and to the excess spread. STS securitisation framework is not applied. Loss amount exceeding expected credit losses on the securitized exposures is subject to 1250% risk weight or deduction from Equity (Articles 244 (1) (b) or 245 (1) (b) of CRR). Citadele has elected deduction from Equity.</p>
Article 449(c) CRR	(c)	<p>Institutions' approaches to calculating the risk-weighted exposure amounts that they apply to their securitisation activities, including the types of securitisation positions to which each approach applies with a distinction between STS and non-STS positions</p> <p>Citadele is not participating in securitisation transactions originated by third parties.</p> <p>Citadele has only own-originated synthetic securitisation transaction where risk amount retained is deduct in accordance with Article 245 (1) (b) of CRR. All relates to non-STS.</p> <p>A list of SSPEs falling into any of the following categories, with a description of types of institution's exposures to those SSPEs, including derivatives contracts:</p> <ul style="list-style-type: none"> <li>(i) SSPEs which acquire exposures originated by the institutions;</li> <li>(ii) SSPEs sponsored by the institutions;</li> <li>(iii) SSPEs and other legal entities for which the institutions provide securitisation-related services, such as advisory, asset servicing or management services;</li> <li>(iv) SSPEs included in the institutions' regulatory scope of consolidation</li> </ul> <p>Citadele has no exposures to any of the SSPEs above.</p>
Article 449(d) CRR	(d)	
Article 449(e) CRR	(e)	<p>A list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three CRR</p> <p>None to be reported.</p>
Article 449(f) CRR	(f)	<p>A list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions</p> <p>None to be reported.</p>
Article 449(g) CRR	(g)	<p>A summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions.</p> <p>Citadele is not participating in securitisation transactions originated by third parties. For accounting policy on own-originated securitisation transaction refer to the summary of the Group's key accounting policies in the most recent annual report.</p>
Article 449(h) CRR	(h)	<p>The names of the ECAIs used for securitisations and the types of exposure for which each agency is used.</p> <p>None. Citadele is not participating in securitisation as an investor.</p>
Article 449(i) CRR	(i)	<p>Where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three CRR including the structure of the internal assessment process and the relation between internal assessment and external ratings of the relevant ECAI disclosed in accordance with point (h), the control mechanisms for the internal assessment process including discussion of independence, accountability, and internal assessment process review, the exposure types to which the internal assessment process is applied and the stress factors used for determining credit enhancement levels.</p> <p>None. Citadele is not participating in securitisation as an investor.</p>

**EU-SEC1 – Securitisation exposures in the non-trading book**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Institution acts as originator						Institution acts as sponsor				Institution acts as investor				
	Traditional		Synthetic		Sub-total	Traditional		Synthetic	Subtotal	Traditional		Synthetic	Subtotal		
	STS	Non-STS	of which SRT	of which SRT		STS	Non-STS			STS	Non-STS				
<b>1 Total exposures</b>	-	-	-	-	6,454	6,454	6,454	-	-	-	-	-	-	-	-
2 Retail (total)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)	-	-	-	-	6,454	6,454	6,454	-	-	-	-	-	-	-	-
8 loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 lease and receivables	-	-	-	-	6,454	6,454	6,454	-	-	-	-	-	-	-	-
11 other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**EU-SEC3 – Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	Exposure values (by RW bands/deductions)				Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap				
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
<b>1 Total exposures</b>	-	-	-	-	6,454	-	-	-	6,454	-	-	-	-	-	-	-	-
2 Traditional transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic transactions	-	-	-	-	6,454	-	-	-	6,454	-	-	-	-	-	-	-	-
10 Securitisation	-	-	-	-	6,454	-	-	-	6,454	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	6,454	-	-	-	6,454	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## EU-SEC5 – Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

	Exposures securitised by the institution - Institution acts as originator or as sponsor		
	a	b	c
	Total outstanding nominal amount	Of which exposures in default	Total amount of specific credit risk adjustments made during the period
<b>1 Total exposures</b>	182,150	7,961	-
2 Retail (total)	-	-	-
3 residential mortgage	-	-	-
4 credit card	-	-	-
5 other retail exposures	-	-	-
6 re-securitisation	-	-	-
<b>7 Wholesale (total)</b>	182,150	7,961	-
8 loans to corporates	-	-	-
9 commercial mortgage	-	-	-
10 lease and receivables	182,150	7,961	-
11 other wholesale	-	-	-
12 re-securitisation	-	-	-

**ENCUMBERED AND UNENCUMBERED ASSETS**

## EU AE1 – Encumbered and unencumbered assets

	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
	of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA	
	010	030	040	050	060	080	090	100
<b>010 Assets of the disclosing institution</b>	<b>263,223</b>	-	-	-	<b>5,105,664</b>	<b>1,472,777</b>	-	-
030 Equity instruments	-	-	-	-	427	-	-	-
040 Debt securities	-	-	-	-	1,004,828	961,326	-	-
050 of which: covered bonds	-	-	-	-	-	-	-	-
060 of which: securitisations	-	-	-	-	-	-	-	-
070 of which: issued by general governments	-	-	-	-	909,025	909,025	-	-
080 of which: issued by financial corporations	-	-	-	-	54,515	41,812	-	-
090 of which: issued by non-financial corporations	-	-	-	-	41,288	10,489	-	-
120 Other assets	263,223	-	n/a	n/a	4,100,409	511,451	n/a	n/a

For more details on types of encumbrances and description of liabilities secured by pledged assets and financial guarantees received refer to the latest annual report of the Group.

EU AE2 – Collateral received and own debt securities issued

	Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
			Fair value of collateral received or own debt securities issued available for encumbrance	
	010	of which notionally eligible EHQLA and HQLA 030	040	of which EHQLA and HQLA 060
<b>130 Collateral received by the disclosing institution</b>	-	-	-	-
140 Loans on demand	-	-	-	-
150 Equity instruments	-	-	-	-
160 Debt securities	-	-	-	-
170 of which: covered bonds	-	-	-	-
180 of which: securitisations	-	-	-	-
190 of which: issued by general governments	-	-	-	-
200 of which: issued by financial corporations	-	-	-	-
210 of which: issued by non-financial corporations	-	-	-	-
220 Loans and advances other than loans on demand	-	-	-	-
230 Other collateral received	-	-	-	-
<b>240 Own debt securities issued other than own covered bonds or securitisations</b>	-	-	-	-
<b>241 Own covered bonds and securitisations issued and not yet pledged</b>	n/a	n/a	-	-
<b>250 TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED</b>	<b>263,223</b>	-	<b>n/a</b>	<b>n/a</b>

EU AE3 – Sources of encumbrance

	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
	010	030
<b>010 Carrying amount of selected financial liabilities</b>	-	-

EU AE4 – Accompanying narrative information

**Qualitative disclosures**

- (a) General narrative information on asset encumbrance  
Refer to the latest annual report.
- (b) Narrative information on the impact of the business model on assets encumbrance and the importance of encumbrance to the institution's business model, which provides users with the context of the disclosures required in Template EU AE1 and EU AE2.  
Refer to the latest annual report.

## LEVERAGE RATIO

Leverage ratio is calculated as Tier 1 capital versus the total exposure measure. As of period end Citadele is not applying transitional provisions. The minimum requirement is 3%. The exposure measure includes both non-risk based on-balance sheet and off-balance sheet items calculated in accordance with the capital requirements regulation. The leverage ratio and the risk-based capital adequacy ratio requirements are complementary, with the leverage ratio defining the minimum capital to total exposure requirement and the risk-based capital adequacy ratios limiting bank risk-taking.

EU LR2 – LRCom: Leverage ratio common disclosure

	CRR leverage ratio exposures	
	a 31/12/2025	b 30/06/2025
On-balance sheet exposures (excluding derivatives and SFTs)		
1 On-balance sheet items (excluding derivatives, SFTs, but including collateral)	5,367,112	5,030,692
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)	(27,467)	(9,522)
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>5,339,645</b>	<b>5,021,170</b>
Derivative exposures			
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	2,446	1,978
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	13,094	12,524
EU-9b	Exposure determined under Original Exposure Method	-	-
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>15,541</b>	<b>14,502</b>
Securities financing transaction (SFT) exposures			
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>	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	496,548	490,762
20	(Adjustments for conversion to credit equivalent amounts)	389,967	369,049
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)	-	-
22	<b>Off-balance sheet exposures</b>	<b>106,581</b>	<b>121,713</b>
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) and point (ca) 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 - 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), point (da) CRR)	-	-
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	-	-
EU-22m	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	<b>Tier 1 capital</b>	<b>544,583</b>	<b>528,793</b>
24	<b>Total exposure measure</b>	<b>5,461,767</b>	<b>5,157,385</b>
Leverage ratio			
25	Leverage ratio	10.0%	10.3%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	10.0%	10.3%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	10.0%	10.3%
26	Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.0%	3.0%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	n/a	n/a

Disclosure of mean values

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	-	-
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)	5,461,767	5,157,385
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)	5,461,767	5,157,385
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)	10.0%	10.3%
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)	10.0%	10.3%

EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		<sup>a</sup> Applicable amount
1	Total assets as per published financial statements	5,424,736
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(55,849)
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	Adjustments for derivative financial instruments	13,793
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)	106,581
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 total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(27,494)
13	<b>Total exposure measure</b>	<b>5,461,767</b>

EU LR3 – LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		CRR leverage ratio exposures
<b>EU-1</b>	<b>Total on-balance sheet exposures (excluding derivatives and SFTs), of which:</b>	<b>5,367,112</b>
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	5,367,112
EU-4	Covered bonds	4,292
EU-5	Exposures treated as sovereigns	1,353,663
EU-6	Exposures to regional governments, MDB, international organisations and PSE <b>not</b> treated as sovereigns	41,340
EU-7	Institutions	49,272
EU-8	Secured by mortgages of immovable properties	1,626,507
EU-9	Retail exposures	1,284,913
EU-10	Corporate	675,508
EU-11	Exposures in default	27,860
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	303,757

**EU LRA: Disclosure of LR qualitative information**

- 1 Description of the processes used to manage the risk of excessive leverage:  
The Group regularly calculates leverage ratio and monitors changes in it, to manage risk of excessive leverage.
- 2 Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers:  
The major factors affecting the Group's leverage ratio in the reporting period was change in the Tier 1 capital level due to inclusion in own funds of the audited annual net result as well as changes in the Group's total assets which was related to scale of the Group's operations.

**MARKET RISK**

Market risk is the risk that the Group will incur a loss as a result of the mark-to-market revaluation of balance sheet and off-balance sheet items caused by changes in market values of financial instruments due to changes in foreign exchange rates, interest rates and other factors.

The position risk of financial instruments is managed through diversification by country, sector, industry and elaborate limit control. Issuers are internally risk graded. The exposure level limits, after in depth analysis, are set by the FMCRC, observing concentration risk levels set in the Group's Risk Strategy and other rules set by and specified in the Risk Strategy. The Bank's Management Board approves the decisions of the FMCRC.

To assess position risk the Group uses sensitivity and scenario analysis, which identifies and quantifies the negative impact of adverse events on the portfolio of the Group taking into consideration regional, sector profiles of the portfolio and credit rating risk profiles of issuers.

Group Treasury manages market risk applying the measures set by the Group's Risk Strategy, including through interest rate swaps, which are used for risk management purposes only.

**EU MR1 – Market risk under the standardised approach**

		a RWEAs
<b>Outright products</b>		
1	Interest rate risk (general and specific)	2,679
2	Equity risk (general and specific)	-
3	Foreign exchange risk	-
4	Commodity risk	-
<b>Options</b>		
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	<b>Securitisation (specific risk)</b>	-
9	<b>Total</b>	<b>2,679</b>

**EU MRA: Qualitative disclosure requirements related to market risk**

Points (a) and (d) of Article 435 (1) CRR

A description of the institution's strategies and processes to manage market risk, including:

- (a) - An explanation of management's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the institution's market risks  
- A description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges  
See text above

- (b) Point (b) of Article 435 (1) CRR  
A description of the structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management.  
See text above

- (c) Point (c) of Article 435 (1) CRR  
Scope and nature of risk reporting and measurement systems  
See text above

**Exposures in equities not included in the trading book**

None of the Group's investments in equity exposures has trading intent. Information on the Group's investments in the equities, which are not held for trading, including carrying value, applied valuation techniques, fair value hierarchy level and estimated fair value, is disclosed at AS Citadele banka latest financial report which is available at [www.cblgroup.com](http://www.cblgroup.com).

The prudential consolidation group does not include AAS CBL Life. The Group's investment of EUR 4,269 thousand in the capital of this subsidiary is accounted at cost and is not revalued.

**Currency risk**

Currency risk is a risk of loss arising from fluctuations in currency exchange rates.

Currency risk management in the Group is carried out in accordance with Market Risk and Counterparty Credit Risk Management Policy and limits set in the Group's Risk Appetite Framework and Risk Strategy. FMCRC oversees and assess currency risk level within the Group, monitors compliance and the fulfilment of the limits, and sets limits for individual dealing desks within the overall risk

limits. The Bank's Management Board authorizes the decisions of the FMCRC.

Intraday currency risk management is the responsibility of the Treasury Division, while risk monitoring and reporting is the responsibility of the Risk Management Division.

The Group has a low-risk appetite for foreign exchange risk. The Group aims to keep exposures at levels that would produce a small net impact even in periods of high volatility. Several well-known methodologies are used to measure and manage foreign exchange risk including a conservative limit for a daily value-at-risk exposure. The Group is in full compliance with the currency position requirements of Latvian legislation and sets its internal limits more prudently than the regulatory limits.

**Interest rate risk**

Interest rate risk is related to the possible negative impact of changes in general interest rates on the Group's income and economic value. Interest rate risk management in the Group is carried out in accordance with Market Risk and Counterparty Credit Risk Management Policy

Interest rate risk is assessed, and decisions are taken by the Assets and Liabilities Management Committee (ALCO). The decisions of the ALCO are approved by the Bank's Management Board. Acceptable interest rate risk level accompanied with the relevant limits is defined in the Group's Risk appetite framework and Risk strategy, ALCO monitors the compliance with the approved limits and use of the instruments for the management of interest rate risk. Interest rate risk measurement, management and reporting are responsibilities of the Treasury Division, while the Risk Management Division ensures proper oversight and prepares analytical reports to the ALCO and the Bank's Management Board.

The Group manages interest rate risk by using repricing gap analysis of the risk sensitive assets and liabilities, duration analysis of assets and liabilities as well as stress testing. Group sets limits for the impact of interest rate shock on economic value, net interest income and market value changes. Based on the market analysis and the Group's financing structure, the ALCO sets the interest rates for customer deposits.

**EU IRRBBA – Qualitative information on interest rate risks of non-trading book activities**

Row number	Qualitative information	Legal basis	
(a)	A description of how the institution defines IRRBB for purposes of risk control and measurement	Prospective adverse impact on the Bank's and Group's net interest income and capital arising from a change in interest rates. IRRBB is measured throughout the stress testing outcomes and gap analysis. IRRBB risk control is ensured by the Risk Division IRRBB management is ensured through the compliance with risk limits set according to Group's risk appetite approved by the Supervisory Board. The ALCO and the Management Board is responsible to take decision on necessary risk mitigation actions depending on limit breach specific, future Group's plans and strategy, market conditions, counterparty pricing etc. The Treasury Division is responsible for executing ALCO and Management Board decisions	Article 448(1), point (e)
(b)	A description of the institution's overall IRRBB management and mitigation strategies		Article 448(1), point (f)
(c)	The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB	Interest rate risk sensitive assets/liabilities gap analysis and IRRBB stress testing is ensured on a weekly basis	Article 448(1), points (e) (i) and (v); Article 448(2)
(d)	A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable)	n/a	Article 448(1), point (e) (iii); Article 448(2)
(e)	A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable)	n/a	Article 448(1), point (e) (ii); Article 448(2)
(f)	A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable)	n/a	Article 448(1), point (e) (iv); Article 448(2)
(g)	A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable)	n/a	Article 448(1), point (c); Article 448(2)
(h)	Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	n/a	Article 448(1), point (d)
(i)	Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)		
(1) (2)	Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	Average 1.3 years and longest 4 years	Article 448(1), point (g)

## EU IRRBB1 – Interest rate risks of non-trading book activities

Supervisory shock scenarios	a		b		c		d	
	Changes of the economic value of equity				Changes of the net interest income			
	31/12/2025		30/06/2025		31/12/2025		30/06/2025	
1 Parallel up	11,940	(31,969)	5,266	(3,618)				
2 Parallel down	(34,314)	(1,361)	(19,577)	(15,943)				
3 Steepener	(4,714)	8,040	n/a	n/a				
4 Flattener	3,249	(22,147)	n/a	n/a				
5 Short rates up	6,208	(26,435)	n/a	n/a				
6 Short rates down	(21,760)	2,920	n/a	n/a				

## LIQUIDITY RISK

Liquidity risk is the risk that the Group will be unable to meet its legal payment obligations. The purpose of liquidity risk management is to ensure the availability of liquid assets to cover any possible gaps between cash inflows and outflows as well as to secure sufficient funding for lending and investment activities.

The Group manages its liquidity risk in accordance with Liquidity Risk Management Policy and Liquidity Buffer Management Policy. The management and reporting of liquidity risk is coordinated by the Treasury Division, and the risk is assessed and decisions are taken by the ALCO. The decisions of the ALCO are approved by the Bank's Management Board. The Enterprise Risk Management Department on a monthly basis provides information to the ALCO and the Bank's Management Board and Supervisory Board about the level of the assumed risk as part of the reporting and supervision process.

Liquidity risk for the Group is assessed in each currency in which the Group has a significant amount of transactions. Liquidity risk limits are reviewed at least once a year and also when there are major changes to the Group's operations or external factors affecting its operations. A liquidity contingency plan has been developed and is updated on a regular basis.

One of the crucial tools used to evaluate liquidity risk is scenario analysis. Several scenarios of different severity and duration are employed by the Group with risk tolerances defined for the outcomes of those scenarios. Furthermore, the Group has developed a system of liquidity risk limits and early warning indicators and systematically prepares cash flow forecasts which incorporate assumptions about the most likely flow of funds over the period of two years. For general assessment of existing gaps between contractual maturities of assets and liabilities without any assumptions on customer behaviour, the Group regularly analyses liquidity term structure and sets corresponding risk tolerances.

The Group's balance sheet structure is planned for at least a one-year period and is aligned with development plans for the current period. The major current and potential funding sources are regularly analysed and controlled across the Group. The Group maintains regular contact with its interbank business partners and creditors with the aim of projecting possible deadlines for repayment or prolongation of funding sources as well as absorption of excess liquidity.

The general principles of the liquidity coverage ratio (LCR) as measurements of the Bank's and the Group's liquidity position is defined in the Regulation (EC) No 575/2013. The Commission Delegated Regulation (EU) 2015/61 defines general LCR calculation principles in more details. The minimum LCR requirement is 100% and it represents the amount of liquidity available to cover calculated net future liquidity outflows. The Bank and the Group is compliant with LCR requirements.

### EU LIQA: Liquidity risk management

#### Qualitative disclosures

- (a) Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding.  
See text above and the latest annual report of the Group.
- (b) Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).  
See text above and the latest annual report of the Group.
- (c) A description of the degree of centralisation of liquidity management and interaction between the group's units  
See text above and the latest annual report of the Group.
- (d) Scope and nature of liquidity risk reporting and measurement systems.  
See text above and the latest annual report of the Group.
- (e) Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.  
See text above and the latest annual report of the Group.
- (f) An outline of the bank's contingency funding plans.  
See text above and the latest annual report of the Group.
- (g) An explanation of how stress testing is used.  
See text above and the latest annual report of the Group.
- (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.  
See text above and the latest annual report of the Group.
- (i) 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.  
These ratios may include:
  - Concentration limits on collateral pools and sources of funding (both products and counterparties)
  - 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
  - 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
  - Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps
 See text above and the latest annual report of the Group.

#### EU LIQ1: Quantitative information of LCR

In template "EU LIQ1" the disclosed LCR information is calculated as the simple average of months-end observations over the twelve months preceding the end of each quarter. In other LCR disclosures and reports non-average end of the month figures may be disclosed. Non-average and end of the month figures will not reconcile.

Scope of consolidation: consolidated		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
		31/12/2025	30/09/2025	30/06/2025	31/03/2025	31/12/2025	30/09/2025	30/06/2025	31/03/2025
EU 1a	Quarter ending on								
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
<b>HIGH-QUALITY LIQUID ASSETS</b>									
1	Total high-quality liquid assets (HQLA), after application of haircuts in line with Article 9 of regulation (EU) 2015/61	n/a	n/a	n/a	n/a	1,224,282	1,234,136	1,291,165	1,281,654
<b>CASH - OUTFLOWS</b>									
2	retail deposits and deposits from small business customers, of which:	2,667,582	2,641,555	2,611,009	2,580,055	172,610	171,427	169,738	167,924
3	Stable deposits	1,651,662	1,624,340	1,584,416	1,558,974	82,583	81,217	79,221	77,949
4	Less stable deposits	613,590	606,577	598,597	587,962	80,406	79,534	78,603	76,720
5	Unsecured wholesale funding	1,004,214	1,041,390	1,079,553	1,065,840	493,830	513,729	531,129	524,371
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	48,591	49,408	51,050	52,113	11,121	11,334	11,777	12,043
7	Non-operational deposits (all counterparties)	954,950	991,265	1,027,854	1,013,038	482,037	501,678	518,703	511,639
8	Unsecured debt	673	717	649	689	673	717	649	689
9	Secured wholesale funding	n/a	n/a	n/a	n/a	-	-	-	-
10	Additional requirements	521,313	515,778	523,909	516,643	203,643	200,408	208,801	196,256
11	Outflows related to derivative exposures and other collateral requirements	172,180	169,681	177,633	164,065	172,180	169,681	177,633	164,065
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	349,133	346,097	346,276	352,578	31,464	30,727	31,168	32,191
14	Other contractual funding obligations	15,974	11,530	11,776	12,518	15,974	11,530	11,776	12,518
15	Other contingent funding obligations	119,154	116,642	111,751	100,987	5,958	5,832	5,588	5,049
16	TOTAL CASH OUTFLOWS	n/a	n/a	n/a	n/a	892,015	902,926	927,032	906,118
<b>CASH - INFLOWS</b>									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	60,041	61,649	65,172	64,379	38,241	40,714	44,464	43,786
19	Other cash inflows	167,992	166,767	175,647	162,171	167,992	166,767	175,647	162,171
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)	n/a	n/a	n/a	n/a	-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)	n/a	n/a	n/a	n/a	-	-	-	-
20	TOTAL CASH INFLOWS	228,033	228,416	240,819	226,550	206,233	207,481	220,111	205,957
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	228,033	228,416	240,819	226,550	206,233	207,481	220,111	205,957
<b>TOTAL ADJUSTED VALUE</b>									
21	LIQUIDITY BUFFER	n/a	n/a	n/a	n/a	1,223,198	1,234,136	1,291,165	1,281,654
22	TOTAL NET CASH OUTFLOWS	n/a	n/a	n/a	n/a	685,782	695,445	706,921	700,161
23	LIQUIDITY COVERAGE RATIO	n/a	n/a	n/a	n/a	178%	177%	183%	183%

**EU LIQB on qualitative information on LCR, which complements template EU LIQ1**

**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 LCR is affected by depositors' activities – that is inflows and outflows of funds for operational or economic reasons, and corresponding changes in the HQLA.
- (b) Explanations on the changes in the LCR over time:  
LCR dynamics are mainly affected by developments in the deposit base and corresponding actions taken by the management to manage liquidity position accordingly.
- (c) Explanations on the actual concentration of funding sources:  
The Group is primarily deposit funded. Deposits are diversified among Retail and Corporate segments.
- (d) High-level description of the composition of the institution's liquidity buffer:  
Mainly comprised of central bank balances and high-quality debt securities.
- (e) Derivative exposures and potential collateral calls:  
The Group's exposures to derivative counterparties arise from its activities in managing foreign exchange risk and interest rate risk. Collateral pledged and received can be volatile over time and depends on the underlying risk factor dynamics, but for the Group is not substantial in absolute terms.
- (f) Currency mismatch in the LCR:  
The Group predominantly operates in EUR currency and has low levels of assets and liabilities in foreign currencies. Low currency mismatch in LCR is observed.
- (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:  
n/a

**EU LIQ2: Net Stable Funding Ratio**

	a	b Unweighted value by residual maturity			c	d	e
	No maturity	< 6 months	6 months to < 1yr	>= 1yr	Weighted value		
<b>Available stable funding (ASF) Items</b>							
1 Capital items and instruments	544,583	-	-	60,000	604,583		
2 <i>Own funds</i>	544,583	-	-	60,000	604,583		
3 <i>Other capital instruments</i>	n/a	-	-	-	-		
4 Retail deposits	n/a	2,636,803	118,912	10,790	2,593,213		
5 <i>Stable deposits</i>	n/a	1,944,554	101,026	9,993	1,953,295		
6 <i>Less stable deposits</i>	n/a	692,250	17,885	796	639,918		
7 Wholesale funding:	n/a	1,400,234	80,448	323,973	955,194		
8 <i>Operational deposits</i>	n/a	130,206	-	-	-		
9 <i>Other wholesale funding</i>	n/a	1,270,029	80,448	323,973	955,194		
10 Interdependent liabilities	n/a	-	-	-	-		
11 Other liabilities:	2,767	91,035	83	26	67		
12 <i>NSFR derivative liabilities</i>	2,767	n/a	n/a	n/a	n/a		
13 <i>All other liabilities and capital instruments not included in the above categories</i>	n/a	91,035	83	26	67		
<b>14 Total available stable funding (ASF)</b>	n/a	n/a	n/a	n/a	<b>4,153,057</b>		

	a	b Unweighted value by residual maturity			c	d	e
	No maturity	< 6 months	6 months to < 1yr	>= 1yr	Weighted Value		
<b>Required stable funding (RSF) Items</b>							
15 Total high-quality liquid assets (HQLA)	n/a	n/a	n/a	n/a	8,490		
EU-15a Assets encumbered for more than 12m in cover pool	n/a	-	-	-	-		
16 Deposits held at other financial institutions for operational purposes	n/a	-	-	-	-		
17 Performing loans and securities:	n/a	473,731	380,256	2,926,797	2,826,301		
18 <i>Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut</i>	n/a	-	-	-	-		
19 <i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>	n/a	18,148	1,810	14,458	17,178		
20 <i>Performing loans to non-financial corporate clients, loans</i>	n/a	429,679	348,759	1,990,954	2,774,227		

	<i>to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>					
21	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>	n/a	58,757	51,120	173,973	717,099
22	<i>Performing residential mortgages, of which:</i>	n/a	25,045	23,385	884,618	-
23	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>	n/a	20,190	19,193	704,066	-
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>	n/a	859	6,302	36,767	34,897
25	Interdependent assets	n/a	-	-	-	-
26	Other assets:		133,072	1,519	21,328	75,071
27	<i>Physical traded commodities</i>	n/a	n/a	n/a	-	-
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>	n/a	-	-	-	-
29	<i>NSFR derivative assets</i>	n/a	1,747	n/a	n/a	1,747
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>	n/a	-	n/a	n/a	-
31	<i>All other assets not included in the above categories</i>	n/a	131,324	1,519	21,328	73,324
32	Off-balance sheet items	n/a	206,137	62,210	227,811	30,531
33	<b>Total RSF</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>2,940,393</b>
34	<b>Net Stable Funding Ratio (%)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>141.2%</b>

## OPERATIONAL RISK

The Group has adopted the Basel Committee on Banking Supervision's definition of operational risk: the probability of incurring losses resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk is divided into the following categories: personnel risk, process risk, IT and system risk, external risk.

Operational risk is managed using an integrated and comprehensive framework of policies, methodologies, procedures and regulations for identification, analysis, mitigation, control, and reporting of operational risk. The Group's operational risk management processes are integral to all business activities and are applicable to all employees and members of the Group.

The Group's aim is to ensure that each of its employees knows not just how to perform specific transactions but also understand the key areas where risk can arise and the processes and steps required to prevent or otherwise mitigate such risk.

The goal of the Group's operational risk management framework is to maintain low level of risk while ensuring that any residual risk is economically justified in light of the need to sustain the Group's performance and profit in the long term. The Group maintains a low tolerance for operational risks that may result in actual or forward-looking losses exceeding EUR 0.4 million annually. The Group does not accept operational risks that are unquantifiable or cannot be effectively managed, irrespective of any potential financial benefit. Each accepted risk must be economically justified and, in cases where the assessment of operational risk in monetary terms is possible, the costs of the control measures required must be commensurate with the eventual loss that could be prevented by the existence of the control system.

The Group applies following approaches for operational risk management:

- Assessing operational risk in development projects: new and updated services and products are introduced only after a thorough risk assessment has been carried out;
- Conducting regular operational risk-control self-assessment: the Group identifies and assesses potential operational risk events, assesses control systems which are in place, and analyses the necessary risk reduction measures;
- Measuring operational risk indicators: the Group uses statistical, financial, and other indicators which represent the levels of operational risk in its various activities;
- Measuring, analysing, monitoring, reporting and escalating operational risk: the Group registers and analyses operational risk events, including their severity, causes and other important information in an operational risk loss and incident database;
- Maintaining robust ICT operations by promptly addressing ICT incidents and continuously improving ISs stability and availability;
- Conducting scenario and sensitivity analysis and stress-testing;
- Performing business continuity planning: the Group performs regular business impact analysis and has implemented a Disaster Recovery Plan;
- Assigning responsibilities: the operational risk management system includes assignment of responsibilities to certain individuals;
- Documenting decisions: the Group maintains records in relation to the process undertaken to reach a particular decision or to prevent or mitigate a particular risk; and

- Establishing a robust Gen AI governance framework that includes policies, procedures, and controls to ensure compliance with the EU AI Act (2024/1689).

**EU ORA – Qualitative information on operational risk**

<b>Legal basis</b>	<b>Row number</b>	<b>Qualitative information</b>
Article 446(1)(a) and Article 435(1)(a) CRR	(a)	Disclosure of the risk management objectives and policies: Information about risk management objectives and policies are disclosed in the caption Operational Risk
Article 446(1)(a) and Article 435(1) (b) CRR	(b)	Disclosure of the structure and organisation of the operational risk management function Operational risk management is organised according to the three lines of defence model. Business and support units form the first line and are responsible for identifying, managing, and reporting operational risks in their daily activities. The second line is the independent Operational Risk Management Department (ORMD), reporting to the Chief Risk Officer, with established operational risk framework by overseeing risk identification, incidents and KRI monitoring, challenging first line assessments, and reporting the operational risk profile to the Management Board and Supervisory Board. Internal Audit, as the third line, provides independent assurance on the effectiveness of the operational risk management framework. The function covers all entities and activities of the Group, including ICT and cyber resilience, outsourcing and third-party arrangements, data quality, business continuity and disaster recovery, and fraud related risks.
Article 446(1)(a) and Article 435(1) (c) CRR	(c)	Description of the scope and nature of the measurement system. The Group measures operational risk using a comprehensive system that records all operational risk events—including losses and near misses—and consolidates them in an Operational risk database. Measurement incorporates RCSA results, Key Risk Indicators, scenario analysis, and assessments of ICT resilience, outsourcing arrangements, and data quality risks to provide both actual and forward-looking loss estimates. These metrics are regularly monitored, aggregated, and reported to senior management and the Supervisory Board to ensure timely identification of emerging risks and alignment with Basel and CRR requirements.
Article 446(1)(a) and Article 435(1) (c) CRR	(d)	Description of the scope and nature of the operational risk reporting framework The Group's operational risk reporting framework ensures timely, accurate, and consistent reporting of operational risk exposures across all entities and business lines. Operational risk events, Key Risk Indicators, RCSA results, scenario analysis outcomes, ICT and outsourcing-related risks, and business continuity observations are consolidated into regular reports for senior management and the Supervisory Board, enabling proactive oversight of the Group's risk profile.
Article 446(1)(a) and Article 435(1) (d) CRR	(e)	Description of the policies and strategies of the risk mitigation and risk hedge The Group's operational risk mitigation is guided by the Operational Risk Strategy, which is reviewed annually, and a comprehensive policy framework consisting of the Operational and Reputational Risk Management Policy and the Outsourcing and Third-Party Risk Management Policy, supplemented by detailed procedures and instructions.

EU OR1 – Operational risk losses

	a	b	c	d	e	f	g	h	i	j	k	
	31/12/2025	31/12/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019	31/12/2018	31/12/2017	31/12/2016	Ten-year average	
<b>Using €20,000 threshold</b>												
1	Total amount of operational risk losses net of recoveries (no exclusions)	364	99	23	-	1,487	998	-	-	-	-	297
2	Total number of operational risk losses	3	2	1	-	1	3	-	-	-	-	1
3	Total amount of excluded operational risk losses	-	-	-	-	-	-	-	-	-	-	-
4	Total number of excluded operational risk events	-	-	-	-	-	-	-	-	-	-	-
5	Total amount of operational risk losses net of recoveries and net of excluded losses	364	99	23	-	1,487	998	-	-	-	-	297
<b>Using €100,000 threshold</b>												
6	Total amount of operational risk losses net of recoveries (no exclusions)	320	-	-	-	1,487	955	-	-	-	-	276
7	Total number of operational risk losses	2	-	-	-	1	2	-	-	-	-	1
8	Total amount of excluded operational risk losses	-	-	-	-	-	-	-	-	-	-	-
9	Total number of excluded operational risk events	-	-	-	-	-	-	-	-	-	-	-
10	Total amount of operational risk losses net of recoveries and net of excluded losses	320	-	-	-	1,487	955	-	-	-	-	276
<b>Details of operational risk capital calculation</b>												
11	not applicable											
12	not applicable											
13	not applicable											

## EU OR2 - Business Indicator, components and subcomponents

		a	b	c	d
	BI and its subcomponents	31/12/2025	31/12/2024	31/12/2023	Average value
<b>1</b>	<b>Interest, lease and dividend component (ILDC)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>111,981</b>
<b>EU 1</b>	<b>ILDC related to the individual institution/consolidated Group (excluding entities considered by Article 314(3))</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>111,981</b>
1a	Interest and lease income	231,921	253,785	230,277	238,661
1b	Interest and lease expense	49,129	56,519	34,828	46,825
1c	Total assets/Asset component	5,338,734	4,935,365	4,654,350	4,976,150
1d	Dividend income/ dividend component	11	20	21	17
<b>2</b>	<b>Services component (SC)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>84,378</b>
2a	Fee and commission income	75,739	73,006	71,577	73,441
2b	Fee and commission expense	38,645	36,768	33,808	36,407
2c	Other operating income	2,915	2,722	1,475	2,371
2d	Other operating expense	10,340	11,785	10,685	10,937
<b>3</b>	<b>Financial component (FC)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>11,619</b>
3a	Net profit or loss applicable to trading book (TB)	12,148	9,297	10,574	10,673
3b	Net profit or loss applicable to banking book (BB)	391	2,341	107	946
EU 3c	Approach followed to determine the TB/BB boundary (PBA or accounting approach)	n/a	n/a	n/a	Accounting approach
<b>4</b>	<b>Business Indicator (BI)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>207,978</b>
<b>5</b>	<b>Business indicator component (BIC)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>24,957</b>
<b>Disclosure on the BI:</b>					
		a			
6a	BI gross of excluded divested activities	207,978			
6b	Reduction in BI due to excluded divested activities	-			
EU 6c	Impact in BI of mergers/acquisitions	-			

## EU OR3 – Operational risk own funds requirements and risk exposure amounts

1	Business Indicator Component (BIC)	a	24,957
EU 1	Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)		-
2	<i>Not applicable</i>		
3	Minimum Required Operational Risk Own Funds Requirements (OROF)		24,957
4	Operational Risk Exposure Amounts (REA)		311,967

## INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS

### EU OVC – ICAAP information

Information on the internal capital adequacy assessment in accordance with the EU OVC ICAAP requirements is disclosed in this section.

The internal capital adequacy assessment process requires estimating individual capital charges for every significant risk type inherent to the Group. The internally developed methodology takes into account greater number of risks compared to what minimum regulatory standards require (e.g. interest rate risk in the banking book, concentration risk, compliance risk etc.). Furthermore, to ensure sustainability even at times of distress, the Group simulates its capital adequacy position under assumptions of an adverse macroeconomic scenario. The following summarises the forward looking assessment of the risk profile for the reporting period, where assessment is based on likelihoods assigned to different adverse deviations from the baseline scenario in terms of capital impact. The annual internal capital adequacy assessment is conducted for a three-year period, which corresponds to the timeframe used in the annual financial and strategic planning process, thereby promoting consistent integration of financial forecasts into capital adequacy evaluation.

### Significant risks based on the most recent ICAAP assessment for which internal capital was allocated

Risk type	Exposure class	Risk assessment for the most recent period*	Regulatory capital requirement calculation method	Internal assessment method
<b>Credit and concentration risks</b>	Loan portfolio	High	Standardised approach	Scenario sensitivity approach
	Bond portfolio	Low	Standardised approach	Scenario sensitivity approach
<b>Market risk</b>	Counterparties	Low	Standardised approach	Scenario sensitivity approach
	Position risk in non-trading bond portfolio	High	-	Scenario sensitivity approach
<b>Operational risk</b>	Currency risk	Low	CRR articles 351-354	Value at risk (VaR)
		Low	Standardised approach	Loss distribution approach
<b>General interest rate risk in the banking book</b>		High	-	200bp parallel shift impact on EVE, six scenarios according to the regulatory requirements
<b>Liquidity risk</b>		Moderate	-	Integrated within reputation risk
<b>AML and compliance risk</b>		Low	-	Integrated within operational risk
<b>Reputation risk</b>		Low	-	Scenario sensitivity approach
<b>Business model and strategy risk</b>		Moderate	-	Scenario sensitivity approach

\* on a 4-grade scale: low, moderate, elevated, high

## PRUDENTIAL DISCLOSURES ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

Prudential disclosures on Environmental, Social and Governance (ESG) aspects are prepared in line with the requirements of the Article 449a of the CRR.

Table 1 – Qualitative information on Environmental risk

Row number	Qualitative information - Free format	
<b>Business strategy and processes</b>		
(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	As part of the regular business planning process of the Group, Citadele identifies and assesses relevant climate-related and environmental risks expected to affect the Group in short, medium and long term. Climate-change scenario analysis is performed in addition to assessing the business environment, including macroeconomic variables, competitive landscape, regulatory, societal and geopolitical trends. Current primary climate-related and environmental (C&E) risk focus is on physical risks at portfolio and counterparty level, and transition risk.
(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	<p>Citadele has committed to aligning its operations and portfolio with the goals and the timeline of the Paris Agreement. To achieve this objective, Citadele has set the ambition to reach net-zero operations, including financed emissions, by the year 2050. Citadele is working on establishing the baseline, identifying decarbonisation pathways, developing practical plans for achieving the emissions reductions, reporting and monitoring progress against the climate-related targets.</p> <p>Risk appetite and climate-related exclusion policies enable us to monitor and achieve climate-related targets and commitments. Citadele's Risk Appetite expressly considers transition and physical risk thresholds.</p> <p>Citadele has carried out an initial climate change scenario analysis to assess the future implications of potential climate change pathways on Citadele's business model and strategy. Citadele is using the NGFS scenario framework to evaluate how different climate pathways could affect its business model over the short, medium, and long term set of scenarios and their potential impact on our business model. The analysis shows that Citadele's portfolio is well-positioned for the transition while highlighting areas of both opportunities and risks for further analysis.</p>
(c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	The Group is committed to financing the transition to low-carbon economy and has set an annual green lending targets. Citadele developed Green Lending Framework to define green products aligned with specific environmental criteria, and EU Taxonomy Substantial Contribution criteria-aligned projects and assets.
(d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	<p>Counterparty C&amp;E risk factor assessment is an integral part of large client onboarding process and the monitoring process of existing clients. Within the credit risk assessment process, Citadele considers climate-related and environmental risks, both physical and transitional, and including over time horizon (short, medium, and long term). Citadele introduced improvements in Biodiversity risk assessment approach for Agricultural and Forestry industries focusing on future advancements in monitoring and assessment granularity. Citadele is continuing work on improvements in ESG data collection process and data quality.</p> <p>Citadele has published a Supplier Code of Conduct setting its expectations toward its suppliers and sharing good practice in environmental issues, social standards and good governance.</p>
<b>Governance</b>		
(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	<p>Citadele ESG Policy sets the framework and main principles for managing ESG-related topics within Citadele Group and sets the ESG governance structure.</p> <p>The Supervisory Board of Citadele is responsible for overseeing the formation and implementation of the ESG strategy. ESG risks are considered when developing Citadele's overall business strategy, business objectives, and risk management framework. The Supervisory Board exercises comprehensive oversight of climate-related and environmental risks.</p> <p>The Management Board is responsible for developing ESG strategy and execution of the strategy and ensures comprehensive implementation of the ESG Risk Policy in the Group. The Management Board provides regular reporting to the Supervisory Board of the Group on the ESG risk management aspects in the Group.</p>
(f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions	<p>Governance of ESG risk management in Citadele Group follows the overarching principle of three lines of defence:</p> <ul style="list-style-type: none"> <li>- The first line of defence comprises business and support functions. It is ultimately accountable for the ESG risk management related to its activities and within its area of responsibility.</li> </ul>

		<p>- The second line of defence is the risk management function, performing independent risk oversight and control. The risk management function facilitates implementation of a sound ESG risk management framework throughout the Group. It has responsibility for further identifying, monitoring, analysing, measuring, managing, and reporting on the ESG risk exposures and forming a holistic view of all risks on the individual and the consolidated basis. In addition, the risk management function challenges and assists in implementation of the ESG risk management requirements by business lines. It also ensures that there are processes and controls in place at the first line of defence and that these are appropriately designed and implemented and operate well.</p> <p>- The third line of defence is Internal Audit Department of the Group – an independent and objective assurance function overseeing implementation of the ESG risk framework and controls in the first and second lines of defence.</p>
(g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	<p>ESG Working Group ensures transparent and efficient driving of the overall ESG agenda. The ESG Working Group is composed of dedicated representatives from key functions. The ESG Working Group has a responsibility to ensure that procedures and controls are in place in order to implement and adhere to the ESG objectives, strategy and policies set by the Management Board. The ESG Working Group is led by ESG Officer of the Group.</p> <p>Responsibilities of the ESG Officer of the Group include defining the ESG framework and key goals related to the ESG area in cooperation with heads of the departments affected by the ESG; developing and regularly updating the ESG Policy; training employees in the ESG area; increasing awareness of the ESG matters by ensuring respective external and internal communication; cooperating with the Risk Management Division and heads of units and departments in developing ESG strategic targets and KPIs.</p> <p>Risk Management Division participates in developing, reviewing, and updating ESG Risk Policy; integrates key ESG risk drivers in the Risk Management Framework, Risk Appetite Framework, and relevant Risk Strategies; implements the principles set in the ESG Risk Policy and other regulatory requirements into existing policies, procedures, and processes; cooperates in defining ESG framework, key goals, and critical drivers; and ensures all their employees are familiar with these new processes and adhere to them.</p> <p>All employees of the Group are responsible for ESG risk identification, mitigation, management, and reporting within their area of activity.</p>
(h)	Lines of reporting and frequency of reporting relating to environmental risk	Information exchange on climate-related issues has been integrated into regular management reporting processes. Climate-related risk reporting and risk appetite threshold monitoring is part of monthly and quarterly internal reporting cycles to the Management Board, along with tracking of green lending target fulfilment.
(i)	Alignment of the remuneration policy with institution's environmental risk-related objectives	<p>Allocation of variable remuneration component takes into account all types of current and future risks of the Bank, Group and Group entities respectively, including ESG-related risks. Variable remuneration component is based on a combination of assessment of individual and Company goals. Management scorecard includes ESG-related goals in line with Group's ESG policy.</p> <p>Before paying out the deferred part of any variable remuneration, a reassessment of the long-term performance and, if necessary, risk adjustment (including ESG risks) is applied to align variable remuneration to additional risks that have been identified or may have materialised after the award.</p>

**Risk management**

(j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework	When considering climate-related risks and opportunities, the Group assesses them in three timescales: short (less than 3 years), medium (3 to 5 years), and long-term (more than 5 years), to account for the changing nature of the ESG risks and their materialization horizon.
(k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	C&E risk management framework of the Group is based on the ECB guide on climate-related and environmental risks, Climate-related financial risks – measurement methodologies and Climate-related risk drivers and their transmission channels - both published by Bank for International Settlements, EBA Guidelines on the Management of ESG Risks and EBRD Environmental and Social Risk Management Procedures.
(l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels	<p>Transition risk materiality assessment is performed at industry level, based on GHG emission intensity and forecoming sectoral climate-related policy changes.</p> <p>Physical risk assessment is performed semi-annually, covering both quantitative and qualitative assessment of material physical risks to collateralized real estate.</p> <p>Quantification of exposure to Climate &amp; Environmental risks is part of stress testing procedures, with scenarios developed for Credit Risk (both Physical and Transition risk scenarios), Market risk (combined Physical and Transition risk scenario), Strategic risk and Operational risk (Physical and Transition risk scenarios).</p> <p>Risk drivers and transmission channels are identified as part of C&amp;E risk materiality assessment and inform risk management practices. Credit risk is the key prudential risk category through which C&amp;E risk is likely to materialize for the Group, given its</p>

		business profile and asset composition. Climate risk drivers can impact households, corporates, SMEs, and sovereigns, reducing income or wealth. As most impacts of climate-related and environmental risk drivers affect multiple areas and materialize in complex ways, we are considering C&E risks in existing categories of risk individually as well as jointly, and in the short-, medium- and long-term.
(m)	Activities, commitments and exposures contributing to mitigate environmental risks	Setting ESG risk limits in Risk Appetite and establishing long-term portfolio GHG emissions goals serves as a proactive mitigation action for C&E transition risk. Other proactive C&E risk mitigating actions include concentration and geographic risk management. While structuring transactions with elevated ESG risk levels and exceeding a predetermined threshold of financed amount, the counterpart's ESG action plan is considered. It may affect the length, pricing, or other structuring conditions.
(n)	Implementation of tools for identification, measurement and management of environmental risks	Identification, measurement and management tools for environmental risks: - ESG Risk Policy; - Risk Appetite and Risk Strategy – C&E risk limits set and monitored in Lending and Securities portfolios; - Climate physical risk assessment for collateralized real estate; - Client Environmental and Climate-related risk assessment; - Environmental and Climate-related risk materiality assessment performed; - Real Estate collateral energy efficiency (EPC) data collection ongoing.
(o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile	Environmental risk assessment is included in ICAAP. ESG risk scenarios are considered as additional scenarios in Credit, Market, Operational and Strategic risk. For Liquidity risk profile: Climate-related and Environmental risk materiality assessment for consolidated Deposits and Non-Maturity Deposits portfolio is performed. Citadele has been working on reinforcing the Climate-related Materiality assessment process. The extended C&E risk assessment includes operational, strategic, liquidity risk assessment in addition to credit and market risk assessments, and a detailed sectoral and geographic climate risk assessment.
(p)	Data availability, quality and accuracy, and efforts to improve these aspects	Improvements in the quality of collateral address data have been carried out to standardize data and enable geolocation mapping and connection to external physical risk maps. EPC label data collection has been started as standard practice for new lending, with new data fields introduced in data systems. General availability of EPC data remains the biggest challenge as a relatively low proportion of properties have received EPC labels, and the group with certificates includes a disproportionate number of newly built buildings, thus preventing extrapolation of data for use in estimated energy classes.
(q)	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	Material climate-related and environmental risk drivers are included in Risk Appetite and Risk Strategy framework within the prudential risk areas in accordance with the Group's ESG Risk Policy. Citadele's Risk Appetite expressly considers transition and physical risk thresholds. This also includes Key Risk indicators (KRI), regular monitoring and reporting, and escalation process in the case of breaching these limits. Group regularly monitors transition risk via Industry Environmental risk level KRI (internal methodology) which is based on GHG emission intensity of industry and sensitivity of industry to climate-related regulatory changes. Physical risk monitoring is conducted, monitoring real-estate collateralized portfolio exposure to material physical risks. Citadele monitors exposure concentration by levels of industry environmental risk score, real-estate collateralized portfolio physical risk levels and exposure to material physical risk types as C&E Key Risk Indicators in Lending portfolio. For corporate debt securities portfolio KRIs include industry environmental risk level and weighted external ESG rankings. In addition, Citadele has defined industries that it does not finance due to significant negative environmental and/ or social impact.
(r)	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	Credit risk: - Physical and transition risk drivers increase Bank's credit risk through both the income effect and wealth effect. The Bank identifies income effect as a transmission channel of physical risk when physical hazard events have a negative effect on a borrower's ability to repay and service debt via loss or reduction of income from affected real estate or manufacturing equipment. The Bank recognizes the wealth effect as transmission channel via reduced ability to fully recover the value of an exposure in default because of the reduction in the value of the pledged collateral. Requirement of continuous insurance of collateral is a means of mitigating the risk. - Bank assesses that climate risk drivers can impact households, corporates and SMEs, with a lesser degree of impact to sovereigns in the Bank's portfolio. - Climate-related increases in human mortality and declines in labour productivity are projected to be key drivers of long-term transmission channel of climate-risk through reductions in output and resulting economic implications.

- In medium to long term increased borrowing costs due to factoring in C&E risks could lead to higher taxes, lower government spending and reduced economic activity, which may indirectly impact Bank's credit risk.

Market risk:

- Physical and transition risks can alter or reveal new information about future economic conditions or the value of real or financial assets, resulting in downward price shocks and an increase in market volatility in traded assets.

- Climate risk could also lead to a breakdown in correlations between assets or a change in market liquidity for particular assets, undermining risk management assumptions.

- Changes in asset values may be driven by a policy change that affects an individual borrower, or by the effect that policy change may have on the economy more broadly.

Liquidity risk:

- Climate risk drivers may impact liquidity risk directly by affecting Bank's ability to raise funds or liquidate assets, access to stable sources of funding could be reduced as market conditions change.

- Climate risk drivers may cause indirect impact through affected counterparties drawing down deposits and credit lines.

Operational risk:

- If physical hazards disrupt critical services and telecommunications infrastructure, Bank's operational ability may be impacted.

- Increasing legal and regulatory compliance risk associated with climate-sensitive investments and businesses may affect the Bank indirectly or directly.

- Increasing direct and indirect (via counterparties) reputational risk based on changing market or consumer sentiment.

Reputational risk:

Failure to reach sustainability-related targets may result in negative customer reaction and loss of market share.

Table 2 – Qualitative information on Social risk

Row number	Business strategy and processes	Qualitative information - Free format
(a)	Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning	<p>Citadele environmental and social risk management is founded on the Bank's strategy of developing business with a long-term perspective and in line with social, environmental, and economic goals in the decisions made, products offered, and services provided. This ensures alignment with the commercial strategy and helps embed environmental and social risk management in the organisational structure and culture.</p> <p>Social risk identification is part of the Group's strategy setting process, and includes analysing changes in consumer behaviour, demographic trends, changes in labour force and technological change.</p> <p>Citadele believes that a financial institution's social impact is based on the ability to leverage its expertise, financial products and services to enable people and communities to prosper and grow. Citadele acts based on high ethical and professional standards towards its clients, partners and employees. Being a socially responsible bank, Citadele stands up for:</p> <ul style="list-style-type: none"> <li>- responsible provision of banking services to promote the Baltic economy;</li> <li>- promoting financial education and literacy in society;</li> <li>- promoting tolerance in society and supporting charity projects for people, animals and nature support;</li> <li>- increasing customer trust in banking and Citadele Group;</li> <li>- making banking services accessible for people at any time and place convenient for them through our digital channel offering;</li> <li>- constantly increase internal ESG competence and promote it in society;</li> <li>- engaging in partnerships with relevant stakeholders to achieve society's goals.</li> </ul> <p>Citadele acknowledges its responsibility in contribution to sustainable economic development, which includes responsible, fair, and ethical business practices from its suppliers.</p>
(b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	<p>Citadele is managing social risk factors in both own operations and its value chain affecting the Group.</p> <p>Citadele has a social responsibility towards its employees, customers, and the wider society. Citadele abides by high ethical standards and inclusive approach toward all employees, customers, business partners, and investors.</p> <p>Citadele's employee relations is a significant area for the Group. Citadele provides safe and secure working conditions to its employees, in line with labour-related standards and requirements, national employment, social insurance, occupational health and safety standards. Citadele supports working environment that is free from any discrimination, prejudice, harassment, abuse of powers and undignified attitude. Citadele employment policy framework includes Code of Ethics, and Diversity and Inclusion policies stating the Groups practices and expectations from employees in these vital areas. All Citadele Group employees receive regular mandatory trainings covering AML, sanctions, corruption and fraud risk management. Social risk aspects are integrated into Operational risk management. The Group has set targets and limits for Key Risk Indicators within social risks in regard to employment practices, employee behaviours, incidents, code of ethics breaches, and data security with monthly and quarterly monitoring.</p> <p>Citadele has processes in place to ensure that clients are treated fairly and professionally. Our customer servicing standard sets the professional requirements we expect from our employees when dealing with customers. The Bank is continuously working to make its services accessible. Service continuity and accessibility are regularly monitored against the targets set.</p> <p>Citadele applies the highest standards to its IT infrastructure and security, and it has a dedicated, group-wide cyber security team. Incident management process is defined and followed, including process of identification, mitigation, documentation, and analysis of incident root causes.</p>
(c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	<p>Citadele ESG and ESG Risk Management Policies in place that reflect the Bank's commitment to managing social risk factors. The ESG Policy outlines Citadele's approach to ESG factors in Group's own operations, while the ESG Risk Policy outlines approach in the Group's business activities.</p> <p>The Group maintains good human resources management policies and practices appropriate to the business. Work on building employee capacity and engagement is constantly ongoing, including relevant trainings on ESG.</p> <p>Citadele is performing social risk assessments in accordance with EBRD social risk guidelines of new lending projects above predetermined thresholds. Citadele has been monitoring social risk exposure in line with EBRD expectations since 2010 when EBRD became a stakeholder in the Group.</p>

The Bank has adopted systematic Climate-related, Environmental and Social risk management processes for business activities in line with the level of risk associated with the business activities.

Social And Environmental Risk Assessment is an integral part of the bank's lending process and is conducted for all legal person lending transactions in line with instruction on Environmental, Social and Climate-related Risk Assessment.

The Environmental and Social Risk Assessment is carried out (i) when evaluating a new lending transaction for legal persons, or in (ii) assessing changes to the terms of the existing corporate lending transactions that require granting of an additional amount.

A publicly available Supplier Code of Conduct summarizes the Bank's requirements in supplier selection, covering environmental practices, labour policies, and good governance. The Supplier Code of Conduct includes good practice guidelines for the environmental, social, and governance areas.

**Governance**

(d) 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 social risk management covering counterparties' approaches to:	<p>Citadele maintains good governance practices, with a clear organisational structure and accountability, defined roles and responsibilities, organisation-wide objectives, and progress monitoring, while ensuring adequate resource management.</p> <p>Supervisory Board is responsible for overseeing the Management Board tasked with establishment and implementation of ESG strategy. Chief Executive Officer is governing body member responsible for the execution of the ESG strategy and implementation of the governance structure set by the Management Board.</p> <p>ESG Officer develops a roadmap for achieving the ESG strategy and objectives and ensures its implementation within the Bank. ESG Officer is a central point of contact for overall sustainability project coordination and is responsible for increasing awareness of ESG matters by ensuring respective external and internal communication. ESG Officer leads the ESG Working Group, composed from representatives of all functions involved in ESG risk management integration into Group's operations.</p> <p>Representatives of functions involved in social risk management are all part of the ESG Working Group:</p>
(i) Activities towards the community and society	(i) Activities towards the community and society are coordinated by Head of Marketing and Communication department;
(ii) Employee relationships and labour standards	(ii) Employee relationships and labour standards are managed by Head of HR and Legal divisions;
(iii) Customer protection and product responsibility	(iii) Customer protection and product responsibilities are with the heads of Business lines and Products;
(iv) Human rights	(iv) Human rights are embedded into core of the Banks operations and all relevant documentation under the responsibility of Head of Legal division.
(e) Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	<p>The Group has developed a robust internal legal framework which sets a clear and transparent corporate governance. For timely identification and understanding of corruption risk in operations of its counterparties, the Bank ensures explicit and unequivocal internal rules for risk screening, identification and continuous monitoring, described in a number of policies and procedures, including Corporate Governance Policy, Code of Ethics, Anti-corruption Policy, Anti-Money Laundering and Counter Terrorism and Proliferation Financing Policy, Transactions Monitoring Procedure, Procedure for the Procurement Process and more.</p> <p>All employees are regularly trained in the fields of identifying and preventing bribery, corruption risk and fraud risk. Employees are tested on their knowledge of the relevant risk management policies and procedures annually.</p> <p>Risk Committee monitors the level of risks to which Citadele Group is exposed and the compliance of its operations with permitted level of risks, including C&amp;E and social risks</p>
(f) Lines of reporting and frequency of reporting relating to social risk	Risks associated with social factors in Group's internal operations are monitored continuously and reported to management bodies in monthly and extended quarterly CRO report, under Operational risk.
(g) Alignment of the remuneration policy in line with institution's social risk-related objectives	The Group's remuneration policy is in line with the Group's business and risk strategy, objectives, culture and values as well as long-term interests of the Group and its stakeholders. Any paying out of the deferred part of any variable remuneration includes reassessment of the long-term performance and, if necessary, risk adjustment to take into account additional risks, including social, identified or materialised after the award.

**Risk management**

(h)	Definitions, methodologies and international standards on which the social risk management framework is based	Social risk management framework in the Group is based on EBRD Environmental and Social Risk Management Manual and procedures recommended by the EBRD, in line with best international practice in the commercial financial sector.
(i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	<p>All lending transactions for legal entities are screened for social risk according to thresholds and process outlined in the respective lending procedure and Environmental and Social risk assessment instruction. Applications falling within Bank's environmental and social exclusion list, which is based on EBRD guidelines and extended to cover no-go industries in line with the Bank's risk appetite, are rejected. Applications are further reviewed for environmental and social risk factors and social risk level is determined. Applications with particular social risk characteristics are further reviewed by EBRD.</p> <p>Environmental and social risk events for exposures are regularly monitored and reported to EBRD in due course of loan monitoring process, with prescribed remediation actions followed up.</p> <p>Citadele expects its suppliers to manage sustainability topics within the field of human rights, labour practices, business ethics and the environment. Expectations for supplier ESG risk management are published in Supplier Code of Conduct.</p> <p>Social risk associated with exposures sensitive to social risks, such as clients or counterparties breaching labour law, human rights or other social laws or rights is monitored as part of regular media monitoring.</p>
(j)	Activities, commitments and assets contributing to mitigate social risk	<p>Citadele is committed to ensure supportive work environment that is aligned with today's requirements and standards, with no discrimination, equal opportunities, good working conditions, supporting professional skill and competence development, and employee well-being. Citadele is monitoring employee satisfaction via regular eNPS surveys and Mood Barometer. Citadele is committed to remain among the most desirable employers in the Baltics.</p> <p>The Group's lending exposures are screened and monitored in line with our commitment to EBRD.</p> <p>Citadele is a signatory of UNEP FI Principles for Responsible Banking and is committed to aligning the Bank's strategy and practice with the Sustainable Development Goals.</p>
(k)	Implementation of tools for identification and management of social risk	<p>Managing social and governance risks in addition to C&amp;E risks is important for Citadele, to protect the Group's reputation, avoid legal and regulatory risks, achieve long-term strategic objectives, and contribute positively to society and the environment.</p> <p>Social risk screening in the lending portfolio follows EBRD guidelines. It is integrated in C&amp;E assessment and monitoring process.</p> <p>Social risk in own operations is identified and assessed as part of Operational risk and control self-assessment process. In addition, reputation monitoring is ongoing and includes external sources as well as employee feedback and employee net-promoter-score (eNPS) assessments.</p>
(l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits	Social risk is monitored under operational risk, and risk limits set within the relevant categories, such as availability and security of Bank's digital services, employee risk, reputational risk. Limit breaches and escalations managed in accordance with procedure for relevant operational risk category.
(m)	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	<p>The Bank has assessed that materialization of social risk within its lending portfolio may manifest:</p> <ul style="list-style-type: none"> <li>- in credit risk if social risk events prevent or delay the operation of development projects thus delaying or stopping planned income stream for the repayment of Bank's funds, and / or negatively affecting the value of affected collateral; changes in consumer sentiment following a social risk event may negatively affect demand for a borrower's product or service thus negatively impacting its income and repayment of Bank's funds.</li> <li>- social risk drivers may impact liquidity risk through affected counterparties drawing down deposits and credit lines, or if manifesting directly, by affecting Bank's ability to raise funds or liquidate assets, access to stable sources of funding could be reduced as market conditions change.</li> <li>- materialization of social risks for Bank's suppliers may cause a disruption in availability of goods or services purchased.</li> <li>- Reputation may be affected if clients or other counterparties are involved in unacceptable social practices.</li> </ul>

Table 3 – Qualitative information on Governance risk

Row number	Qualitative information - Free format	
<b>Governance</b>		
(a)	Institution's integration in their governance arrangements governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	<p>The Bank's operation is based on transparent and sustainable actions in the financial markets. The Bank has a zero tolerance for corruption, and expects the same from its employees, customers, and business partners.</p> <p>The Bank has developed internal legal framework which sets a clear and transparent corporate governance framework. Citadele is committed to avoid corruption and has no tolerance towards financial crime and non-compliance.</p> <p>For timely identification and understanding of corruption risk in operations of its counterparties, the Bank ensures explicit and unequivocal internal rules for risk screening, identification and continuous monitoring, described in a number of policies and procedures, including Corporate Governance Policy, Code of Ethics, Anti-corruption Policy, Anti-Money Laundering and Counter Terrorism and Proliferation Financing Policy, Conflict of Interest Policy, Transactions Monitoring Procedure, Procedure for the Procurement Process and more.</p> <p>All employees are trained in the field of the prevention of corruption risk and fraud risk, as well are attested annually of their compliance with the principles prescribed in Anti-corruption policy.</p>
(b)	Institution's accounting of the counterparty's highest governance body's role in non-financial reporting	Non-financial reports of counterparties are identified in due course of process, either procurement or lending, and further analysed manually, including taking into account the role of the counterparty's highest governance body in non-financial reporting.
(c)	Institution's integration in governance arrangements of the governance performance of their counterparties including:	The Group's Risk Appetite framework integrates governance of counterparty assessment, including tolerance of risks related to counterparty governance arrangements.
(i)	Ethical considerations	<p>The Bank adheres to strict know-your-customer procedures, which include requirements and good practice expectations for counterparty internal governance processes, including ethical considerations, anti-bribery and anti-corruption measures, internal controls, risk management policies and management of conflicts of interest. The Group refrains from engaging in activities or cooperation with counterparties that entail or might potentially entail raised reputational risks irrespective of financial benefits and rewards.</p> <p>Transparency and inclusiveness disclosures are expected to be included in counterparty non-financial reporting in line with the level mandated by regulatory requirements pertinent to the counterparty.</p>
(ii)	Strategy and risk management	
(iii)	Inclusiveness	
(iv)	Transparency	
(v)	Management of conflict of interest	
(vi)	Internal communication on critical concerns	
<b>Risk management</b>		
(d)	Institution's integration in risk management arrangements the governance performance of their counterparties considering:	A publicly available Supplier Code of Conduct is binding for any new suppliers. The Supplier Code of Conduct summarizes the Bank's requirements in supplier selection, covering environmental practices, labour policies, and good governance, including good practice guidelines for these areas.
(i)	Ethical considerations	<p>Governance areas considered include ethics; no tolerance for bribery and corruption; management of conflict of interest; inclusiveness and transparent governance.</p> <p>The Bank itself adheres to Code of Ethics, based on regulatory requirements and industry good practices. The Code of Ethics includes selection of and cooperation with counterparties, management of conflict of interest and whistleblowing arrangements.</p>
(ii)	Strategy and risk management	
(iii)	Inclusiveness	
(iv)	Transparency	
(v)	Management of conflict of interest	
(vi)	Internal communication on critical concerns	

Template 4: Banking book – Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms

	a	b	c	d	e
1	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
	-	-	-	-	-

\*For counterparties among the top 20 carbon emitting companies in the world. As at the end of December 2025, Citadele had no exposures to the top 20 most polluting companies and their subsidiaries. Data about Top 20 most polluting firms in the world, with reference year 2023, was sourced from Carbon Majors database, as published in: [InfluenceMap Carbon Majors: 2023 Data Update \(March 2025\)](#)

Template 10 – Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852

a	b	c	d	e	f
Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green,	Financial corporations	-	-	-
2	sustainable,	Non-financial corporations	-	-	-
3	sustainability-linked under standards other than the EU standards)	<i>Of which Loans collateralised by commercial immovable property</i>	-	-	-
4		Households	-	-	-
5		<i>Of which Loans collateralised by residential immovable property</i>	-	-	-
6		<i>Of which building renovation loans</i>	-	-	-
7		Other counterparties	-	-	-
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	0.9	Transition risk	- During 2025 the following loan categories were classified as Green lending: - Green leasing – low and zero emission vehicles - Loans for renovation of apartment buildings with ALTUM guarantee - multi apartment building energy efficiency improvement in Latvia - Loans classified as green under EIB/EIF Green framework - Loans classified as green under EBRD framework (until 18.11.2024) - Real estate loans financing buildings with highest BREEAM and LEED certification classes - Green loans for corporate customers (evaluated individually case by case)
9		Non-financial corporations	215.6	Transition risk	- During 2025 the following loan categories were classified as Green lending: - Green leasing – low and zero emission vehicles - Loans for renovation of apartment buildings with ALTUM guarantee - multi apartment building energy efficiency improvement in Latvia - Loans classified as green under EIB/EIF Green framework - Loans classified as green under EBRD framework (until 18.11.2024) - Real estate loans financing buildings with highest BREEAM and LEED certification classes - Green loans for corporate customers (evaluated individually case by case)

10	<i>Of which Loans collateralised by commercial immovable property</i>	93.4	Transition risk	<ul style="list-style-type: none"> <li>- During 2025 the following loan categories were classified as Green lending:               <ul style="list-style-type: none"> <li>- Green leasing – low and zero emission vehicles</li> <li>- Loans for renovation of apartment buildings with ALTUM guarantee - multi apartment building energy efficiency improvement in Latvia</li> <li>- Loans classified as green under EIB/EIF Green framework</li> <li>- Loans classified as green under EBRD framework (untill 18.11.2024)</li> <li>- Real estate loans financing buildings with highest BREEAM and LEED certification classes</li> <li>- Green loans for corporate customers (evaluated individually case by case)</li> </ul> </li> </ul>
11	Households	144.4	Transition risk	<ul style="list-style-type: none"> <li>- During 2025 the following loan categories were classified as Green lending:               <ul style="list-style-type: none"> <li>- Green leasing – low and zero emission vehicles</li> <li>- Green mortgage loans - designed to finance homes meeting the highest energy efficiency standards</li> <li>- Home Energy Efficiency Loan for solar, heating, or other sustainable upgrades</li> </ul> </li> </ul>
12	<i>Of which Loans collateralised by residential immovable property</i>	76.5	Transition risk	<ul style="list-style-type: none"> <li>- During 2025 the following loan categories were classified as Green lending:               <ul style="list-style-type: none"> <li>- Green leasing – low and zero emission vehicles</li> <li>- Green mortgage loans - designed to finance homes meeting the highest energy efficiency standards</li> <li>- Home Energy Efficiency Loan for solar, heating, or other sustainable upgrades</li> </ul> </li> </ul>
13	<i>Of which building renovation loans</i>	0.2	Transition risk	-
14	Other counterparties	0.2	Transition risk	<ul style="list-style-type: none"> <li>- During 2025 the following loan categories were classified as Green lending:               <ul style="list-style-type: none"> <li>- Green leasing – low and zero emission vehicles</li> </ul> </li> </ul>

**Template 1: Banking book- Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity**

Maturity is reported based on the gross amounts and (as per regulatory requirements) based on the final maturity of the exposure and not the contractual maturity which would be more consistent with the actual expected repayment cash flows.

Sector/subsector	a	b				c	d	e	f			g	h	i	j	k	l	m	n	o	p
	Gross carrying amount (Mln EUR)								Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 year ≤ 10 years	> 10 ≤ 20 years	> 20 years	Average weighted maturity		
Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation**	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which Stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions															
<b>1 Exposures towards sectors that highly contribute to climate change*</b>	<b>1,717.5</b>	<b>114.1</b>	<b>7.3</b>	<b>153.5</b>	<b>46.6</b>	<b>(37.4)</b>	<b>(3.2)</b>	<b>(19.8)</b>	<b>880,888</b>	<b>279,236</b>	<b>98.9%</b>	<b>1,572.6</b>	<b>92.7</b>	<b>3.1</b>	<b>49.2</b>	<b>4.0</b>					
2 A - Agriculture, forestry and fishing	210.9	-	-	35.1	21.8	(13.8)	(1.0)	(10.2)	113,325	32,183	99.9%	178.4	27.4	-	5.2	4.0					
3 B - Mining and quarrying	7.3	-	-	0.4	0.1	(0.1)	-	-	90,983	1,800	100.0%	6.7	0.6	-	0.1	4.0					
4 B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	-					
5 B.06 - Extraction of crude petroleum and natural gas	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	-					
6 B.07 - Mining of metal ores	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	-					
7 B.08 - Other mining and quarrying	7.3	-	-	0.4	0.1	(0.1)	-	-	90,952	1,800	100.0%	6.7	0.5	-	0.1	4.0					
8 B.09 - Mining support service activities	-	-	-	-	-	-	-	-	31	-	100.0%	-	-	-	-	5.0					
9 C - Manufacturing	179.5	1.7	-	12.3	8.6	(4.2)	(0.3)	(2.3)	105,716	78,185	100.0%	166.9	3.3	-	9.2	4.0					
10 C.10 - Manufacture of food products	58.3	-	-	3.1	0.1	(0.8)	-	(0.1)	32,944	24,965	100.0%	55.0	-	-	3.4	5.0					
11 C.11 - Manufacture of beverages	0.6	-	-	0.1	-	-	-	-	66	31	100.0%	0.6	-	-	-	4.0					
12 C.12 - Manufacture of tobacco products	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	-	22.0					
13 C.13 - Manufacture of textiles	7.1	-	-	0.1	-	-	-	-	7,416	6,037	100.0%	7.0	-	-	0.1	3.0					
14 C.14 - Manufacture of wearing apparel	2.6	-	-	0.3	1.3	(0.2)	-	(0.2)	1,849	1,535	100.0%	2.4	-	-	0.2	4.0					
15 C.15 - Manufacture of leather and related products	0.3	-	-	-	-	-	-	-	146	89	100.0%	0.3	-	-	-	4.0					
16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	29.4	-	-	2.6	2.3	(1.3)	(0.1)	(1.0)	19,610	10,670	100.0%	27.1	0.5	-	1.8	4.0					
17 C.17 - Manufacture of pulp, paper and paperboard	6.2	-	-	0.1	-	-	-	-	3,316	2,923	100.0%	6.2	-	-	-	2.0					

18	C.18 - Printing and service activities related to printing	8.2	-	-	0.5	0.7	(0.5)	-	(0.4)	3,810	3,292	100.0%	7.5	0.2	-	0.5	4.0
19	C.19 - Manufacture of coke oven products	1.7	1.7	-	-	-	-	-	-	255	-	100.0%	1.7	-	-	-	2.0
20	C.20 - Production of chemicals	1.7	-	-	0.4	-	-	-	-	1,416	1,023	100.0%	1.6	0.1	-	-	3.0
21	C.21 - Manufacture of pharmaceutical preparations	2.8	-	-	0.2	-	-	-	-	3,089	2,402	99.2%	2.7	-	-	-	2.0
22	C.22 - Manufacture of rubber products	3.3	-	-	0.2	0.1	(0.1)	-	(0.1)	2,180	1,775	100.0%	1.9	1.2	-	0.2	5.0
23	C.23 - Manufacture of other non-metallic mineral products	2.5	-	-	0.2	-	-	-	-	1,267	618	100.0%	2.5	-	-	-	3.0
24	C.24 - Manufacture of basic metals	0.4	-	-	-	-	-	-	-	321	122	100.0%	0.4	0.1	-	-	4.0
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	22.1	-	-	0.7	1.1	(0.4)	-	(0.1)	16,399	14,061	100.0%	19.5	0.4	-	2.2	5.0
26	C.26 - Manufacture of computer, electronic and optical products	1.5	-	-	0.1	-	-	-	-	478	378	100.0%	1.5	-	-	-	2.0
27	C.27 - Manufacture of electrical equipment	1.7	-	-	0.2	-	-	-	-	888	640	100.0%	1.7	0.1	-	-	3.0
28	C.28 - Manufacture of machinery and equipment n.e.c.	2.7	-	-	-	-	-	-	-	1,196	854	100.0%	2.6	0.1	-	-	3.0
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	0.7	-	-	0.2	-	-	-	-	468	380	100.0%	0.7	-	-	-	3.0
30	C.30 - Manufacture of other transport equipment	0.7	-	-	-	0.4	(0.1)	-	(0.1)	187	106	100.0%	0.7	-	-	-	2.0
31	C.31 - Manufacture of furniture	13.2	-	-	2.5	0.1	(0.2)	(0.1)	-	4,561	3,664	100.0%	12.5	0.2	-	0.5	3.0
32	C.32 - Other manufacturing	3.6	-	-	0.2	0.2	(0.2)	-	(0.1)	821	550	100.0%	3.3	0.2	-	0.1	4.0
33	C.33 - Repair and installation of machinery and equipment	7.8	-	-	0.6	2.2	(0.2)	-	(0.1)	3,033	2,070	100.0%	7.5	0.2	-	0.1	4.0
34	D - Electricity, gas, steam and air conditioning supply	159.7	112.4	7.3	11.9	0.4	(1.1)	(0.2)	(0.1)	243,032	19,408	89.2%	154.6	5.0	-	0.1	5.0
35	D35.1 - Electric power generation, transmission and distribution	158.1	112.4	7.3	11.8	0.4	(1.1)	(0.2)	(0.1)	28,257	18,687	88.7%	153.3	4.8	-	0.1	5.0
36	D35.11 - Production of electricity	112.4	112.4	-	11.8	0.4	(1.0)	(0.2)	(0.1)	8,214	2,691	87.3%	111.8	0.5	-	-	3.0
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	0.4	-	-	0.1	-	-	-	-	18	-	100.0%	0.4	-	-	-	2.0
38	D35.3 - Steam and air conditioning supply	1.2	-	-	-	-	-	-	-	214,757	721	100.0%	0.9	0.3	-	-	4.0
39	E - Water supply; sewerage, waste management and remediation activities	13.5	-	-	0.7	-	(0.1)	-	-	5,630	2,153	100.0%	10.7	2.7	-	-	4.0
40	F - Construction	166.4	-	-	13.4	3.5	(3.6)	(0.4)	(1.7)	67,417	31,075	99.9%	158.5	4.5	-	3.5	4.0
41	F.41 - Construction of buildings	56.6	-	-	5.3	1.3	(1.4)	(0.2)	(0.7)	17,025	9,580	100.0%	54.3	1.0	-	1.2	4.0
42	F.42 - Civil engineering	53.1	-	-	2.2	1.2	(1.0)	(0.1)	(0.6)	26,956	12,948	100.0%	51.2	1.5	-	0.5	3.0
43	F.43 - Specialised construction activities	56.7	-	-	5.9	1.0	(1.2)	(0.2)	(0.4)	23,436	8,547	100.0%	53.0	1.9	-	1.8	4.0
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	266.7	-	-	25.3	7.8	(6.8)	(0.5)	(3.9)	130,517	85,444	100.0%	233.1	5.2	-	28.4	5.0
45	H - Transportation and storage	186.6	-	-	27.4	2.9	(2.9)	(0.5)	(1.2)	76,032	10,296	99.9%	155.2	29.8	-	1.6	4.0

46	H.49 - Land transport and transport via pipelines	159.2	-	-	23.8	2.5	(2.3)	(0.4)	(0.9)	68,303	7,399	100.0%	128.4	29.6	-	1.3	4.0
47	H.50 - Water transport	0.4	-	-	-	-	-	-	-	95	-	100.0%	0.4	-	-	-	3.0
48	H.51 - Air transport	-	-	-	-	-	-	-	-	-	-	43.8%	-	-	-	-	22.0
49	H.52 - Warehousing and support activities for transportation	24.5	-	-	2.6	0.4	(0.5)	(0.1)	(0.2)	7,419	2,808	100.0%	24.1	0.2	-	0.2	3.0
50	H.53 - Postal and courier activities	2.5	-	-	0.9	-	-	-	-	215	89	100.0%	2.4	-	-	0.1	3.0
51	I - Accommodation and food service activities	40.6	-	-	6.5	0.1	(0.5)	(0.1)	(0.1)	7,829	5,243	100.0%	39.4	0.6	-	0.5	4.0
52	L - Real estate activities	486.3	-	-	20.6	1.3	(4.2)	(0.2)	(0.3)	40,407	13,449	99.9%	469.1	13.6	3.1	0.6	3.0
<b>53</b>	<b>Exposures towards sectors other than those that highly contribute to climate change*</b>	<b>338.4</b>	<b>-</b>	<b>-</b>	<b>27.4</b>	<b>3.1</b>	<b>(5.0)</b>	<b>(0.6)</b>	<b>(1.5)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>308.5</b>	<b>24.5</b>	<b>0.4</b>	<b>5.1</b>	<b>4.0</b>
54	K - Financial and insurance activities	3.5	-	-	0.1	-	-	-	-	n/a	n/a	n/a	3.5	-	-	-	2.0
55	Exposures to other sectors (NACE codes J, M - U)	335.0	-	-	27.3	3.1	(5.0)	(0.6)	(1.5)	n/a	n/a	n/a	305.0	24.5	0.4	5.1	4.0
<b>56</b>	<b>TOTAL</b>	<b>2,056.0</b>	<b>114.1</b>	<b>7.3</b>	<b>181.0</b>	<b>49.7</b>	<b>(42.5)</b>	<b>(3.8)</b>	<b>(21.3)</b>	<b>880,888</b>	<b>279,236</b>	<b>98.9%</b>	<b>1,881.1</b>	<b>117.2</b>	<b>3.5</b>	<b>54.2</b>	<b>4.0</b>

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

\*\* NACE code based, not considering any mitigating aspects or for example for "D35.11 - Production of electricity" whether electricity is generated with renewables or from fossil sources.

Template 2: Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

EPC label data collection has been started as standard practice for new lending, with new data fields introduced in data systems. During 2022 EPC data collection was carried out and updated in 2023 for existing collateral portfolio was carried out. Effort included cadastral number data cleaning and linking to external data providers like Land Registrars in Latvia and Estonia, and data collection services in Lithuania. General availability of EPC data remains the biggest challenge as a relatively low proportion of properties have received EPC labels, and the set of properties with certificates includes a disproportionate number of newly built buildings, thus preventing extrapolation of data for use in estimated energy classes. Unbuilt land collateral is estimated at 0 kWh/m<sup>2</sup> energy efficiency. Properties with expired EPC certificate are excluded from "EPC label of collateral" disclosure, but included in the estimated "EP score in kWh/m<sup>2</sup>" of collateral based on the expired EPC certificates.

Counterparty sector	a	b	c	d	e	f	Total gross carrying amount (in MEUR)							o	p	
	Level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral		
	0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G	Of which level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) estimated		
<b>1 Total EU area</b>	<b>1,840</b>	<b>361</b>	<b>19</b>	<b>3</b>	-	<b>1</b>	<b>1</b>	<b>118</b>	<b>51</b>	<b>11</b>	<b>11</b>	<b>3</b>	<b>13</b>	<b>1</b>	<b>1,632</b>	<b>11%</b>
2 <i>Of which Loans collateralised by commercial immovable property</i>	889	226	9	2	-	1	-	27	36	6	3	1	7	-	809	20%
3 <i>Of which Loans collateralised by residential immovable property</i>	951	135	10	2	-	-	1	91	15	5	8	3	5	1	823	2%
4 <i>Of which Collateral obtained by taking possession: residential and commercial immovable properties</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 <i>Of which Level of energy efficiency (EP score in kWh/m<sup>2</sup> of collateral) estimated</i>	177	177	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	177	100%
<b>6 Total non-EU area</b>	<b>3</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>3</b>	<b>1%</b>
7 <i>Of which Loans collateralised by commercial immovable property</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 <i>Of which Loans collateralised by residential immovable property</i>	3	-	-	-	-	-	-	-	-	-	-	-	-	-	3	1%
9 <i>Of which Collateral obtained by taking possession: residential and commercial immovable properties</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 <i>Of which Level of energy efficiency (EP score in kWh/m<sup>2</sup> of collateral) estimated</i>	-	-	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-	100%

Template 3: Banking book - Indicators of potential climate change transition risk: Alignment metrics

a	b	c	d	e	f	g
Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mn EUR)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
1	Power	27	1.7			
1	Power	2712	0.1			
1	Power	3314	0.4			
1	Power	35	159.3			
1	Power	351	158.2			
1	Power	3511	112.4			
1	Power	3512	9.1			
1	Power	3513	0.2			
1	Power	3514	36.5			
1	Power	4321	11.8			
2	Fossil fuel combustion	091	-			
2	Fossil fuel combustion	0910	-			
2	Fossil fuel combustion	192	1.7			
2	Fossil fuel combustion	1920	1.7			
2	Fossil fuel combustion	2014	0.2			
2	Fossil fuel combustion	352	0.4			
2	Fossil fuel combustion	3521	-			
2	Fossil fuel combustion	3522	0.3			
2	Fossil fuel combustion	3523	0.1			
2	Fossil fuel combustion	4612	0.1			
2	Fossil fuel combustion	4671	3.2			
2	Fossil fuel combustion	06	-			
2	Fossil fuel combustion	061	-			
2	Fossil fuel combustion	0610	-			
2	Fossil fuel combustion	062	-			
2	Fossil fuel combustion	0620	-			
2	Fossil fuel combustion	08	4.4			
2	Fossil fuel combustion	09	-			
3	Automotive	2815	-			
3	Automotive	29	0.7			
3	Automotive	291	-			
3	Automotive	2910	-			
3	Automotive	292	0.3			
3	Automotive	2920	0.3			
3	Automotive	293	0.4			
3	Automotive	2932	0.4			
4	Aviation	3030	-			
4	Aviation	3316	0.1			
4	Aviation	511	-			
4	Aviation	5110	-			
4	Aviation	512	1.1			
4	Aviation	5121	-			
4	Aviation	5223	1.1			
5	Maritime transport	301	2.0			
5	Maritime transport	3011	0.3			
5	Maritime transport	3012	0.4			
5	Maritime transport	3315	1.2			
5	Maritime transport	50	17.1			
5	Maritime transport	501	-			
5	Maritime transport	5010	-			
5	Maritime transport	502	17.0			
5	Maritime transport	5020	0.4			
5	Maritime transport	5222	0.3			
5	Maritime transport	5224	1.2			
5	Maritime transport	5229	15.2			
6	Cement, clinker and lime production	235	0.2			
6	Cement, clinker and lime production	2351	0.2			
6	Cement, clinker and lime production	2352	-			
6	Cement, clinker and lime production	236	1.9			
6	Cement, clinker and lime production	2361	0.7			
6	Cement, clinker and lime production	2363	0.7			
6	Cement, clinker and lime production	2364	0.3			
6	Cement, clinker and lime production	0811	1.0			
6	Cement, clinker and lime production	089	1.9			
7	Iron and steel, coke, and metal ore production	24	0.3			

7	Iron and steel, coke, and metal ore production	241	-
7	Iron and steel, coke, and metal ore production	2410	-
7	Iron and steel, coke, and metal ore production	242	-
7	Iron and steel, coke, and metal ore production	2420	-
7	Iron and steel, coke, and metal ore production	2434	-
7	Iron and steel, coke, and metal ore production	244	0.3
7	Iron and steel, coke, and metal ore production	2442	0.1
7	Iron and steel, coke, and metal ore production	2444	-
7	Iron and steel, coke, and metal ore production	2445	0.2
7	Iron and steel, coke, and metal ore production	245	-
7	Iron and steel, coke, and metal ore production	2451	-
7	Iron and steel, coke, and metal ore production	2452	-
7	Iron and steel, coke, and metal ore production	25	22.2
7	Iron and steel, coke, and metal ore production	251	11.1
7	Iron and steel, coke, and metal ore production	2511	10.5
7	Iron and steel, coke, and metal ore production	4672	3.8
7	Iron and steel, coke, and metal ore production	05	-
7	Iron and steel, coke, and metal ore production	051	-
7	Iron and steel, coke, and metal ore production	0510	-
7	Iron and steel, coke, and metal ore production	052	-
7	Iron and steel, coke, and metal ore production	0520	-
7	Iron and steel, coke, and metal ore production	07	-
7	Iron and steel, coke, and metal ore production	072	-
7	Iron and steel, coke, and metal ore production	0729	-
8	Chemicals	-	-
9	... potential additions relevant to the business model of the institution	-	-

\*\*\* PiT distance to 2030 NZE2050 scenario in % (for each metric)

\* List of NACE sectors to be considered

IEA sector	Column b - NACE Sectors (a minima) - Sectors required		**Examples of metrics - non-exhaustive list. Institutions shall apply metrics defined by the IEA scenario
	sector	code	
Sector in the template			
5. Maritime transport	shipping	301	Average tonnes of CO2 per passenger-km Average gCO <sub>2</sub> /MJ and Average share of high carbon technologies (ICE).
5. Maritime transport	shipping	3011	
5. Maritime transport	shipping	3012	
5. Maritime transport	shipping	3315	
5. Maritime transport	shipping	50	
5. Maritime transport	shipping	501	
5. Maritime transport	shipping	5010	
5. Maritime transport	shipping	502	
5. Maritime transport	shipping	5020	
5. Maritime transport	shipping	5222	
5. Maritime transport	shipping	5224	
5. Maritime transport	shipping	5229	
1. Power	power	27	
1. Power	power	2712	
1. Power	power	3314	Average tonnes of CO2 per MWh and Average share of high carbon technologies (oil, gas, coal).
1. Power	power	35	
1. Power	power	351	
1. Power	power	3511	
1. Power	power	3512	
1. Power	power	3513	
1. Power	power	3514	
1. Power	power	4321	
2. Fossil fuel combustion	oil and gas	091	
2. Fossil fuel combustion	oil and gas	0910	
2. Fossil fuel combustion	oil and gas	192	
2. Fossil fuel combustion	oil and gas	1920	
2. Fossil fuel combustion	oil and gas	2014	
2. Fossil fuel combustion	oil and gas	352	
2. Fossil fuel combustion	oil and gas	3521	
2. Fossil fuel combustion	oil and gas	3522	
2. Fossil fuel combustion	oil and gas	3523	
2. Fossil fuel combustion	oil and gas	4612	
2. Fossil fuel combustion	oil and gas	4671	
2. Fossil fuel combustion	oil and gas	06	
2. Fossil fuel combustion	oil and gas	061	
2. Fossil fuel combustion	oil and gas	0610	
2. Fossil fuel combustion	oil and gas	062	
2. Fossil fuel combustion	oil and gas	0620	
7. Iron and steel, coke, and metal ore production	steel	24	

7. Iron and steel, coke, and metal ore production	steel	241	
7. Iron and steel, coke, and metal ore production	steel	2410	
7. Iron and steel, coke, and metal ore production	steel	242	
7. Iron and steel, coke, and metal ore production	steel	2420	
7. Iron and steel, coke, and metal ore production	steel	2434	
7. Iron and steel, coke, and metal ore production	steel	244	
7. Iron and steel, coke, and metal ore production	steel	2442	
7. Iron and steel, coke, and metal ore production	steel	2444	
7. Iron and steel, coke, and metal ore production	steel	2445	
7. Iron and steel, coke, and metal ore production	steel	245	Average tonnes of CO2 per tonne of output
7. Iron and steel, coke, and metal ore production	steel	2451	and
7. Iron and steel, coke, and metal ore production	steel	2452	Average share of high carbon technologies (ICE).
7. Iron and steel, coke, and metal ore production	steel	25	
7. Iron and steel, coke, and metal ore production	steel	251	
7. Iron and steel, coke, and metal ore production	steel	2511	
7. Iron and steel, coke, and metal ore production	steel	4672	
7. Iron and steel, coke, and metal ore production	coal	05	
7. Iron and steel, coke, and metal ore production	coal	051	
7. Iron and steel, coke, and metal ore production	coal	0510	
7. Iron and steel, coke, and metal ore production	coal	052	
7. Iron and steel, coke, and metal ore production	coal	0520	
7. Iron and steel, coke, and metal ore production	steel	07	
7. Iron and steel, coke, and metal ore production	steel	072	
7. Iron and steel, coke, and metal ore production	steel	0729	
2. Fossil fuel combustion	coal	08	Average tonnes of CO2 per GJ.
			and
2. Fossil fuel combustion	coal	09	Average share of high carbon technologies (ICE).
6. Cement, clinker and lime production	cement	235	
6. Cement, clinker and lime production	cement	2351	
6. Cement, clinker and lime production	cement	2352	Average tonnes of CO2 per tonne of output
6. Cement, clinker and lime production	cement	236	and
6. Cement, clinker and lime production	cement	2361	Average share of high carbon technologies (ICE).
6. Cement, clinker and lime production	cement	2363	
6. Cement, clinker and lime production	cement	2364	
6. Cement, clinker and lime production	cement	0811	
6. Cement, clinker and lime production	cement	089	
4. Aviation	aviation	3030	
4. Aviation	aviation	3316	Average share of sustainable aviation fuels
4. Aviation	aviation	511	and
4. Aviation	aviation	5110	Average tonnes of CO2 per passenger-km
4. Aviation	aviation	512	
4. Aviation	aviation	5121	
4. Aviation	aviation	5223	
3. Automotive	automotive	2815	
3. Automotive	automotive	29	Average tonnes of CO2 per passenger-km
3. Automotive	automotive	291	and
3. Automotive	automotive	2910	Average share of high carbon technologies (ICE).
3. Automotive	automotive	292	
3. Automotive	automotive	2920	
3. Automotive	automotive	293	
3. Automotive	automotive	2932	

**Template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk**

Citadele's assessment of climate change physical risk is performed for the real estate collateral pledged as security for loans originated by the Group. Physical risk assessment considers 8 climate hazards, evaluating the potential impacts of: riverine flood, coastal flood, water stress, drought, extreme heat, wildfire, earthquake, landslide and biodiversity impact. Our assessment is performed at address level and considers levels of individual climate hazards as evaluated by multiple external sources. Physical Risk assessment is performed semi-annually. Climate-related hazards are divided between acute and chronic risk groups according to the mapping provided in EU Taxonomy Climate Delegated Act Annex A. The largest relevant physical risk categories identified are flood (river and coastal), draught and related water stress. No exposures were identified as subject to Extremely high or High-Extremely high risk. Current collateral location coverage data availability rate is 81%. Medium risk is assigned for the 19% of the collaterals for which coordinates could not be obtained. Assessment of the climate change physical risk covers exposures collateralised by immovable property, but not other types of exposures to physical risk such as location of income-generating facilities that are not directly pledged. Thus climate change physical risk is not disclosed by sectors as current data availability does not provide sufficient information on all potential locations of impact. Even for exposures collateralised by immovable property, the current approach might have limitations, by not considering other enhancement factors of the respective exposure other than the pledged collateral, nor does it take into account potential local physical risk mitigation measures at the level of specific property.

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o														
															Gross carrying amount (Mln EUR)													
															of which exposures sensitive to impact from climate change physical events													
															Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			
<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	of which Stage 2 exposures	Of which non-performing exposures	of which Stage 2 exposures	Of which non-performing exposures																				
1	A - Agriculture, forestry and fishing	97	10	3	-	-	5	-	8	5	1	1	(1)	-	(1)													
2	B - Mining and quarrying	2	-	-	-	-	-	-	-	-	-	-	-	-	-													
3	C - Manufacturing	79	4	-	-	-	4	-	2	3	-	-	-	-	-													
4	D - Electricity, gas, steam and air conditioning supply	71	1	-	-	-	4	-	-	-	-	-	-	-	-													
5	E - Water supply; sewerage, waste management and remediation activities	6	-	1	-	-	6	-	1	-	-	-	-	-	-													
6	F - Construction	39	-	-	-	-	5	-	-	-	-	-	-	-	-													
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	91	1	-	-	-	4	-	1	-	-	-	-	-	-													
8	H - Transportation and storage	61	-	-	-	-	4	-	-	-	-	-	-	-	-													
9	L - Real estate activities	173	17	3	-	-	3	-	3	17	4	-	-	-	-													
10	Loans collateralised by residential immovable property	481	-	-	-	-	-	-	-	-	-	-	-	-	-													
11	Loans collateralised by commercial immovable property	336	39	7	-	-	4	-	19	27	5	2	(3)	-	(1)													
12	Reposessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-													
13	Other relevant sectors (breakdown below where relevant)	132	7	-	-	-	3	-	5	2	-	-	-	-	-													

Template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk (continued)

a	b	c	d	e	f	g	Gross carrying amount (Mln EUR)								m	n	o				
							of which exposures sensitive to impact from climate change physical events														
							Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events				Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	
							<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity									of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	50	22	-	-	-	2	-	7	15	3	5	(6)	-	(5)						
2	B - Mining and quarrying	2	-	-	-	-	3	-	-	-	-	-	-	-	-						
3	C - Manufacturing	72	24	-	-	-	2	-	7	17	2	-	-	-	-						
4	D - Electricity, gas, steam and air conditioning supply	67	27	4	-	-	3	-	26	5	-	-	-	-	-						
5	E - Water supply; sewerage, waste management and remediation activities	6	1	-	-	-	3	-	1	-	-	-	-	-	-						
6	F - Construction	79	17	-	-	-	3	-	3	14	1	-	-	-	-						
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	132	17	-	-	-	3	-	2	15	4	1	(1)	-	(1)						
8	H - Transportation and storage	97	4	-	-	-	4	-	-	3	-	-	-	-	-						
9	L - Real estate activities	197	175	1	-	-	3	-	19	157	4	-	(1)	-	-						
10	Loans collateralised by residential immovable property	278	-	-	-	-	-	-	-	-	-	-	-	-	-						
11	Loans collateralised by commercial immovable property	423	328	10	-	-	3	-	68	270	19	7	(9)	-	(6)						
12	Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
13	Other relevant sectors (breakdown below where relevant)	187	46	5	-	-	4	-	3	48	5	-	-	-	-						

Template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk (continued)

Estonia: Geographical area subject to climate change physical risk - acute and chronic events	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount (Mln EUR)														
	of which exposures sensitive to impact from climate change physical events														
	Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				
<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity									of which Stage 2 exposures	Of which non-performing exposures	
1	A - Agriculture, forestry and fishing	64	2	-	-	-	7	-		2	-	-	-	-	-
2	B - Mining and quarrying	3	-	-	-	-	-	-		-	-	-	-	-	-
3	C - Manufacturing	29	2	-	-	-	3	-		1	1	-	1	-	-
4	D - Electricity, gas, steam and air conditioning supply	21	-	-	-	-	-	-		-	-	-	-	-	-
5	E - Water supply; sewerage, waste management and remediation activities	1	-	-	-	-	3	-		-	-	-	-	-	-
6	F - Construction	48	1	-	-	-	2	-		1	-	-	-	-	-
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	44	2	-	-	-	3	-		2	-	-	-	-	-
8	H - Transportation and storage	29	2	-	-	-	3	-		2	-	-	-	-	-
9	L - Real estate activities	116	81	-	-	-	2	-		70	10	1	1	(1)	-
10	Loans collateralised by residential immovable property	194	-	-	-	-	-	-		-	-	-	-	-	-
11	Loans collateralised by commercial immovable property	130	87	-	-	1	2	-		76	12	1	1	(1)	-
12	Reposessed collaterals	-	-	-	-	-	-	-		-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	60	6	-	-	-	5	-		6	-	-	-	-	-

Template 6. Summary of key performance indicators (KPIs) on the Taxonomy aligned exposures

Citadele's Taxonomy disclosures for the financial year 2025 relate to exposures to Taxonomy-eligible and -aligned assets for climate change mitigation and climate change adaptation objectives. The assets in scope for disclosures for 2025 are retail exposures as set out in the Taxonomy, exposures to undertakings falling under the NFRD, including financial and non-financial undertakings, local government financing, collateral obtained by taking possession. The reporting is based on data originating from internal core banking systems and external data for the purposes of NFRD undertaking's disclosed Taxonomy eligibility and alignment for the financial year 2025. For residential real estate lending for buildings built before 31 December 2020, substantial contribution has been assessed as a valid EPC class A or above.

	KPI			% coverage (over total assets) *
	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
GAR stock	0.2%	-	0.2%	24.5%
GAR flow	-	-	-	24.0%

\* % of assets covered by the KPI over banks' total assets

Template 7 – Mitigating actions: Assets for the calculation of GAR

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date 31/12/2025															
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
Million EUR			Of which specialised lending	Of which transitional	Of which enabling	Of which specialised lending	Of which adaptation	Of which enabling	Of which specialised lending	Of which transitional/adaptation	Of which enabling						
GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	1,968.2	1,337.8	7.5	-	-	1.7	-	-	-	-	-	1,337.8	7.5	-	-	1.7
2	Financial corporations	26.0	9.9	0.2	-	-	-	-	-	-	-	-	9.9	0.2	-	-	-
3	Credit institutions	26.0	9.9	0.2	-	-	-	-	-	-	-	-	9.9	0.2	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	26.0	9.9	0.2	-	-	-	-	-	-	-	-	9.9	0.2	-	-	-
6	Equity instruments	-	-	-	n/a	-	-	-	-	n/a	-	-	-	-	n/a	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	n/a	-	-	-	-	n/a	-	-	-	-	n/a	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	n/a	-	-	-	-	n/a	-	-	-	-	n/a	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	n/a	-	-	-	-	n/a	-	-	-	-	n/a	-	-
20	Non-financial corporations (subject to NFRD disclosure obligations)	83.3	11.9	7.3	-	-	1.7	-	-	-	-	-	11.9	7.3	-	-	1.7
21	Loans and advances	71.3	9.4	5.1	-	-	-	-	-	-	-	-	9.4	5.1	-	-	-
22	Debt securities, including UoP	12.1	2.5	2.1	-	-	1.7	-	-	-	-	-	2.5	2.1	-	-	1.7
23	Equity instruments	-	-	-	n/a	-	-	-	-	n/a	-	-	-	-	n/a	-	-
24	Households	1,783.7	1,316.0	-	-	-	-	n/a	n/a	n/a	n/a	n/a	1,316.0	-	-	-	-
25	of which loans collateralised by residential immovable property	953.7	953.7	-	-	-	-	n/a	n/a	n/a	n/a	n/a	953.7	-	-	-	-
26	of which building renovation loans	63.1	8.8	-	-	-	-	n/a	n/a	n/a	n/a	n/a	8.8	-	-	-	-
27	of which motor vehicle loans	543.2	359.7	-	-	-	-	n/a	n/a	n/a	n/a	n/a	359.7	-	-	-	-
28	Local governments financing	75.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>32</b>	<b>TOTAL GAR ASSETS</b>	<b>1,968.2</b>	<b>1,337.8</b>	<b>7.5</b>	<b>-</b>	<b>-</b>	<b>1.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,337.8</b>	<b>7.5</b>	<b>-</b>	<b>-</b>	<b>1.7</b>
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	1,922.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
34	Loans and advances	1,908.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
35	Debt securities	13.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
36	Equity instruments	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	15.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
38	Loans and advances	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
39	Debt securities	15.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
40	Equity instruments	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
41	Derivatives	1.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
42	On demand interbank loans	5.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
43	Cash and cash-related assets	43.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
44	Other assets (e.g. Goodwill, commodities etc.)	158.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>45</b>	<b>TOTAL ASSETS IN THE DENOMINATOR (GAR)</b>	<b>4,115.4</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	867.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
47	Central banks exposure	468.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
48	Trading book	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>49</b>	<b>TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR</b>	<b>1,335.8</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>50</b>	<b>TOTAL ASSETS</b>	<b>5,451.2</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

Template 8 – GAR (%)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Disclosure reference date 31/12/2025: KPIs on stock																
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors				Proportion of total assets covered	
	Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable					
		Of which specialised lending	Of which transitional	Of which enabling		Of which specialised lending	Of which transitional	Of which enabling		Of which specialised lending	Of which transitional	Of which enabling				
1 <b>GAR</b>	32.5%	0.2%	-	-	-	-	-	-	-	-	32.5%	0.2%	-	-	-	24.5%
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	32.5%	0.2%	-	-	-	-	-	-	-	-	32.5%	0.2%	-	-	-	24.5%
3 Financial corporations	0.2%	-	-	-	-	-	-	-	-	-	0.2%	-	-	-	-	0.2%
4 Credit institutions	0.2%	-	-	-	-	-	-	-	-	-	0.2%	-	-	-	-	0.2%
5 Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Non-financial corporations subject to NFRD disclosure obligations	0.3%	0.2%	-	-	-	-	-	-	-	-	0.3%	0.2%	-	-	-	0.2%
10 Households	32.0%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	32.0%	-	-	-	-	24.1%
11 of which loans collateralised by residential immovable property	23.2%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	23.2%	-	-	-	-	17.5%
12 of which building renovation loans	0.2%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	0.2%	-	-	-	-	0.2%
13 of which motor vehicle loans	8.7%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	8.7%	-	-	-	-	6.6%
14 Local government financing	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-
15 Housing financing	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-
16 Other local governments financing	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-
17 Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-

Template 8 – GAR (%) (continued)

	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
Disclosure reference date 31/12/2025: KPIs on flows																
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)				Proportion of total new assets covered			
	Proportion of new eligible assets funding taxonomy relevant sectors				Proportion of new eligible assets funding taxonomy relevant sectors				Proportion of new eligible assets funding taxonomy relevant sectors							
	Of which environmentally sustainable				Of which environmentally sustainable				Of which environmentally sustainable							
		Of which specialised lending	Of which transitional	Of which enabling		Of which specialised lending	Of which transitional	Of which enabling		Of which specialised lending	Of which transitional	Of which enabling				
1 <b>GAR</b>	<b>25.3%</b>	-	-	-	-	-	-	-	-	-	<b>25.3%</b>	-	-	-	-	<b>24.0%</b>
2 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	25.3%	-	-	-	-	-	-	-	-	-	25.3%	-	-	-	-	24.0%
3 Financial corporations	0.4%	-	-	-	-	-	-	-	-	-	0.4%	-	-	-	-	0.4%
4 Credit institutions	0.4%	-	-	-	-	-	-	-	-	-	0.4%	-	-	-	-	0.4%
5 Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Non-financial corporations subject to NFRD disclosure obligations	0.1%	-	-	-	-	-	-	-	-	-	0.1%	-	-	-	-	0.1%
10 Households	24.8%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	24.8%	-	-	-	-	23.5%
11 of which loans collateralised by residential immovable property	14.3%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	14.3%	-	-	-	-	13.5%
12 of which building renovation loans	0.1%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	0.1%	-	-	-	-	0.1%
13 of which motor vehicle loans	10.4%	-	-	-	-	n/a	n/a	n/a	n/a	n/a	10.4%	-	-	-	-	9.9%
14 Local government financing	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-
15 Housing financing	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-
16 Other local governments financing	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-
17 Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-	-

## ATTESTATION

AS Citadele banka Risk management and capital adequacy report (Pillar 3 disclosures) provides an interim update on the qualitative and quantitative disclosures on the major risks of AS Citadele banka and its risk management objectives, policies and information on capital adequacy as required by the Regulation (EU) No 575/2013 and other relevant regulations and laws. AS Citadele banka has implemented a comprehensive system of internal policies and processes, controls and IT systems to comply with these disclosures requirements.

This report has been authorised by the Management Board of AS Citadele banka.