

REPORT

**on the Covered Bond Programme at Československá
obchodná banka, a. s. for the year 2024**

Report on the Covered Bond Programme at Československá obchodná banka, a. s. for the year 2024

Reason for submitting the report

This Report has been prepared and is submitted to the National Bank of Slovakia (“NBS”) on the basis of Act No. 483/2001 Coll. on banks and on the amendment of certain acts, as amended (“Banking Act”), which stipulates the obligation of the covered bond programme administrator (the “Administrator”) to submit a report on the covered bond programme (the “Report”) for the previous year by 30 April of the respective calendar year.

Content of the Report

The basic pillars of the content and structure of the Report are the provisions of Section 79(6) of Act No. 483/2001 Coll., as amended, all the information on the covered bond programme (hereinafter referred to as the “CB Programme”) at Československá obchodná banka, a. s. (hereinafter referred to as “ČSOB”), namely:

- (a) number, volume, yields and maturities of covered bond issues (hereinafter referred to as “CBs”) issued, the allocation of primary and substitution assets to each issue,
- (b) the volume of assets in the cover pool and the volume CBs in euros or in a foreign currency,
- (c) the structure of the cover pool,
- (d) the coverage ratio
- (e) average amount, maturity of the primary assets, the fixing period and the weighted interest rate, a breakdown of the weighted interest rates and the volume of lending by fixing period, a breakdown of the primary assets by maturity,
- (f) the volume of non-performing mortgage loans and the volume of mortgage loans removed from the cover pool,
- (g) the reasons for significant changes in the topping-up or removing of cover pool assets,
- (h) the structure of the real estate (properties) securing the primary assets in the cover pool, broken down into family houses, flats, apartments and other buildings,

- (i) the proportional distribution of the real properties used to secure the primary assets, broken down by the regions of the Slovak Republic (hereinafter referred to as “SR”) and by the LTV ratio
- (j) the calculation method and the amount of the Bank’s estimated obligations or costs,
- (k) the methodology and results of stress testing,
- (l) the activity of the Administrator and the supervision of the NBS in relation to the CB Programme for the previous year,
- (m) other facts related to the activities of the bank issuing the CBs.

Administrator’s statement

In all activities ČSOB acted in accordance with the Banking Act, NBS Measure No. 5 of November 2023 on the Register of Covered Bonds (hereinafter referred to as “NBS Measure No. 5”) and other related generally binding legal regulations. The Bank established within its internal processes and procedures the required organisational, technical, legislative, and staffing conditions in order to meet the requirements imposed by the Banking Act on issuers of CBs. This statement is based on findings from my supervisory and control activities carried out in 2024 and in connection with the issuance of the CSOB European Covered Bonds (Premium) CSOB SK 2029 I. under the debt securities issuance programme with a total nominal value of up to EUR 5 500 000 000, according to the base prospectus dated 20 November 2023, as amended by Supplement No. 1 dated 27 May 2024.

The total amount of the first *issue of covered bonds for the year 2024 was EUR 500 000 000, ISIN SK4000025284, with a nominal value of EUR 100 000, number of units 5 000*. The bonds bear a fixed interest rate of 3.375% p.a. throughout their term. The issue date was 3 July 2024, and the maturity date is 3 July 2029. Before issuance, I issued a written certificate confirming that the cover is compliant with the Banking Act (Section 79(2)).

In January 2024, the Bank requested the Administrator’s approval for the removal and the topping-up of primary assets (PA) from and to the CB Register. The movements in the primary assets, their total amount, reasons for the removing, as well as the topping-up primary assets are documented in the following tables and text. ČSOB submits a monthly written request to the Administrator for removal of PAs (mortgage loans), who in return issues written consent for the removing of the respective PAs (mortgage loans), with the exception of loans repaid (here no consent of the CB Administrator is required). The Bank proceeds with the deletion of data from the CB Register in accordance with Section 70(5), complying with the statutory time limit

for deletion ... “no later than 30 days from the date of consent by the CB programme administrator. Any deletion of data from the CB Register without the consent of the CB programme administrator shall be null and void.” In this context, it should be emphasised that communication throughout 2024, was continuous and without problem.

I carried out the activities of an administrator autonomously, independently, and impartially, in close cooperation with my deputy Ing. Iveta Brúderová, as well as with competent bank employees, who during the year allowed us not only to inspect the required records, documents, systems, and premises related to the CB programme, and they competently answer questions or responded to discrepancies found in the data in the CBR.

In the course of 2024, a number of adjustments were made to the CB Register, based on the requirements of the NBS, as well as our own. The whole year 2024 can be described as “fine-tuning of the CBR”, which is logical since the register was put into operation in December 2023, when the first covered bond issue was implemented, and two issues of mortgage bonds were simultaneously converted to CBs and included in the CB Register.

The year 2024 was also significant for our activities, both in terms of supervision and control, but especially in terms of communication with the Bank’s staff responsible for the quality of the CB Register and the data contained therein, for housing lending, loan servicing, real estate valuation, bond issuance, and stress testing. At the same time, an internal audit in ALM was carried out in this period (focused on the quality of data in the CB register, processes related to the functioning of the register, the level of cooperation with the CB programme administrator and the CB programme deputy administrator, etc.). Internal audit staff asked us for our opinion and consultation, focusing on our supervisory and control activities, on cooperation with the Bank’s staff. We complied with Internal Audit, within our remit, on all relevant issues.

In the case of not only my absence, but also in the monthly and daily supervision and control, in the preparation of the annual report, I cooperate with the CB programme deputy administrator, Ing. Iveta Brúderová (since the start of 2024).

Bratislava dated 19 April 2025. Ing. Viktória Múčková, Ph.D.

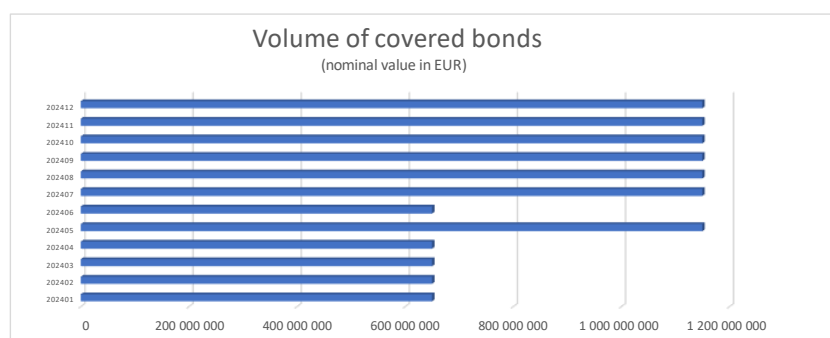
The report in this section contains information on the covered bond programme of Československá obchodná banka, a. s. in the structure pursuant to Section 79(6) of the Banking Act.

a) number, volume, yields and maturities of CBs issued, the allocation of primary and substitution assets to each issue

| 31.12.2024 | | | | | | | | |
|--------------|------------|----------------------------|-----------------------------|---------------------|--------------------|---------------|------------------------------------|---|
| ISIN | Issue date | Nominal value of the issue | Number of securities issued | Issued volume (EUR) | Yield of the issue | Maturity date | Principal amount of primary assets | Accrued unpaid interest of primary assets |
| SK4000025284 | 03.07.2024 | 500 000 000 | 5 000 | 500 000 000 | 3.38% | 03.07.2029 | 642 411 319 | 568 660 |
| SK4120008640 | 09.07.2012 | 25 000 000 | 2 500 | 25 000 000 | 4.70% | 09.07.2036 | 31 335 288 | 26 815 |
| SK4120008178 | 07.11.2011 | 25 000 000 | 2 500 | 25 000 000 | 5.50% | 07.11.2031 | 30 132 945 | 26 258 |
| SK4000024378 | 14.12.2023 | 600 000 000 | 6 000 | 600 000 000 | 0.00% | 14.12.2026 | 725 950 332 | 574 178 |

b) the amount of primary assets in the cover pool and the CBs in euros or in a foreign currency

| Period | Primary assets (EUR) | Volume of CBs (nominal) (EUR) |
|--------|----------------------|-------------------------------|
| 202401 | 786 269 805 | 650 000 000 |
| 202402 | 786 407 728 | 650 000 000 |
| 202403 | 786 886 041 | 650 000 000 |
| 202404 | 786 330 397 | 650 000 000 |
| 202405 | 1 396 638 420 | 1 150 000 000 |
| 202406 | 786 360 818 | 650 000 000 |
| 202407 | 1 392 871 065 | 1 150 000 000 |
| 202408 | 1 391 793 811 | 1 150 000 000 |
| 202409 | 1 391 494 807 | 1 150 000 000 |
| 202410 | 1 391 782 517 | 1 150 000 000 |
| 202411 | 1 397 869 488 | 1 150 000 000 |
| 202412 | 1 429 829 885 | 1 150 000 000 |



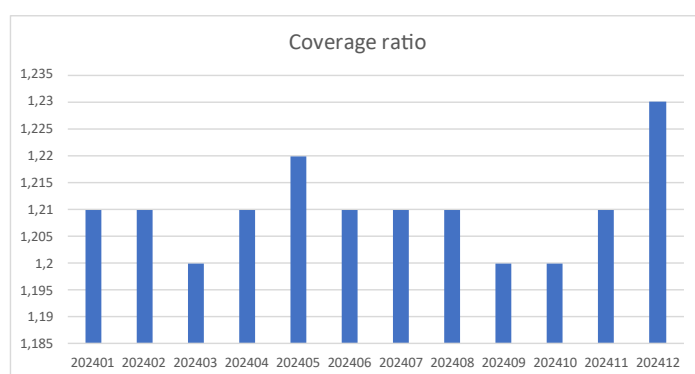
c) structure of the cover pool

| Period | Cover pool (EUR) | Primary assets (excluding accrued unpaid interest) (EUR) | Accrued unpaid interest (EUR) | Substitution assets (EUR) | Hedging derivatives (EUR) | Liquid assets (EUR) |
|--------|------------------|--|-------------------------------|---------------------------|---------------------------|---------------------|
| 202401 | 786 810 603 | 786 269 805 | 540 798 | 0.00 | 0.00 | 0.00 |
| 202402 | 786 886 788 | 786 407 728 | 479 060 | 0.00 | 0.00 | 0.00 |
| 202403 | 685 395 058 | 784 830 903 | 564 155 | 0.00 | 0.00 | 0.00 |
| 202404 | 786 867 085 | 786 330 397 | 536 688 | 0.00 | 0.00 | 0.00 |
| 202405 | 1 406 612 096 | 1 396 638 420 | 1 142 756 | 0.00 | 0.00 | 0.00 |
| 202406 | 786 930 744 | 786 360 818 | 569 926 | 0.00 | 0.00 | 0.00 |
| 202407 | 1 394 062 743 | 1 392 871 065 | 1 191 678 | 0.00 | 0.00 | 0.00 |
| 202408 | 1 393 005 070 | 1 391 793 811 | 1 211 259 | 0.00 | 0.00 | 0.00 |
| 202409 | 1 392 652 694 | 1 391 494 807 | 1 157 887 | 0.00 | 0.00 | 0.00 |
| 202410 | 1 393 047 320 | 1 391 782 517 | 1 264 803 | 0.00 | 0.00 | 0.00 |
| 202411 | 1 399 089 599 | 1 397 869 488 | 1 220 111 | 0.00 | 0.00 | 0.00 |
| 202412 | 1 431 025 797 | 1 429 829 885 | 1 195 912 | 0.00 | 0.00 | 0.00 |

d) coverage ratio

In calculating the coverage ratio, the Bank followed Section 69(1), (2), (5) and calculated its amount as of the last day of the relevant month.

In 2024, the coverage ratio ranged from 120% to 123%, significantly exceeding the statutory minimum of 105% for primary assets (housing loans). The evolution of the coverage ratio for 2024 is shown in the following graph. The Bank has not determined a higher coverage ratio under Section 69(4) in its terms and conditions of issue for the 2024 Covered Bond Issue.



| Share of primary assets in each issue | | | | |
|---------------------------------------|--------------|----------------------------------|--|--------------------|
| ISIN | Type of bond | Nominal value of the issue (EUR) | Principal amount of primary assets (EUR) | Coverage ratio (%) |
| SK4000025284 | KD_KDRP | 500 000 000 | 642 411 319 | 128% |
| SK4120008640 | KD_PHZL | 25 000 000 | 31 335 288 | 125% |
| SK4120008178 | KD_PHZL | 25 000 000 | 30 132 945 | 121% |
| SK4000024378 | KD_KDRP | 600 000 000 | 725 950 332 | 121% |

- e) average amount, maturity of the primary assets, the fixing period and the weighted interest rate, a breakdown of the weighted interest rates and the volume of lending by fixing period, a breakdown of the primary assets by maturity

| Remaining maturity of primary assets | Mortgage loans - for housing (EUR) | Mortgage loans - for business (EUR) |
|---------------------------------------|------------------------------------|-------------------------------------|
| from 0 to 1 year (incl.) | 1 369 447 | 0 |
| from 1 to 2 years (incl.) | 2 859 539 | 0 |
| from 2 to 5 years (incl.) | 20 280 859 | 0 |
| from 5 to 10 years (incl.) | 92 474 049 | 0 |
| from 10 to 15 years (incl.) inclusive | 209 781 114 | 0 |
| from 15 to 20 years (incl.) | 363 495 419 | 0 |
| from 20 to 25 years (incl.) | 418 927 064 | 0 |
| from 25 to 30 years (incl.) | 320 642 396 | 0 |

| Type of interest rate | Primary assets | | Average weighted interest rate (%) | |
|----------------------------------|------------------------------------|-------------------------------------|---|--|
| | Mortgage loans – for housing (EUR) | Mortgage loans – for business (EUR) | Weighted average interest rate – mortgage loans for housing (%) | Weighted average interest rate – mortgage loans for business (%) |
| Variable | 0 | 0 | 0.00% | 0.00% |
| Fixed up to 1 year (incl.) | 617 542 | 0 | 5.58% | 0.00% |
| Fixed over 1 to 3 years (incl.) | 326 739 900 | 0 | 3.47% | 0.00% |
| Fixed over 3 to 5 years (incl.) | 556 387 122 | 0 | 2.60% | 0.00% |
| Fixed over 5 to 10 years (incl.) | 501 734 494 | 0 | 1.38% | 0.00% |
| Fixed over 10 years | 44 350 826 | 0 | 1.66% | 0.00% |

- f) the volume of non-performing mortgage loans and the volume of mortgage loans removed from the cover pool

The process of the removing mortgage loans primary assets from the CB register took place in 2024 based on the Bank's request to delete the primary assets from the CB register and the CBP administrator's consent to the deletion. The volumes and reasons are summarised in the table below.

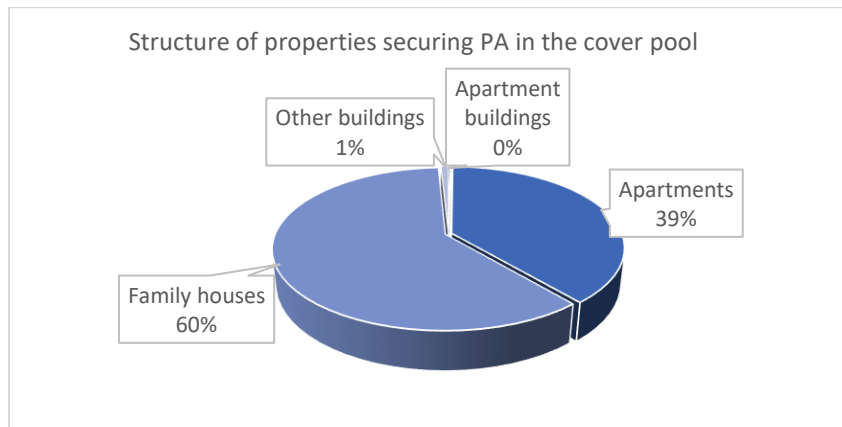
| Month | Undetected insurance | In default | Insufficient balance | Other | Unidentified region / Undetermined location | LTV | Repaid mortgage loans | TOTAL |
|-------|----------------------|------------|----------------------|-------------|---|------------|-----------------------|-------------|
| 1 | 87 775 258 | 908 683 | 8 247 | 43 651 169 | 1 276 070 | 416 865 | 1 599 413 | 135 635 704 |
| 2 | 48 507 | 412 308 | 19 397 | | | 313 279 | 1 507 445 | 2 300 936 |
| 3 | | 474 106 | 30 661 | | | 684 611 | 2 620 173 | 3 809 550 |
| 4 | | 182 458 | 19 144 | 22 413 | 583 784 | 357 569 | 1 847 872 | 3 013 240 |
| 5 | | 425 020 | | 176 703 | 20 752 | 923 655 | 1 532 400 | 3 078 529 |
| 6 | | 285 528 | 63 102 | 608 083 767 | | 302 617 | 30 427 389 | 639 162 402 |
| 7 | | 277 797 | 21 673 | | | | 2 334 699 | 2 634 168 |
| 8 | | 710 878 | 67 014 | | | 2 983 431 | 4 375 008 | 8 136 332 |
| 9 | | 204 263 | 40 676 | 81 820 | | 1 075 687 | 10 514 440 | 11 916 887 |
| 10 | | 419 202 | 40 397 | | | 965 912 | 3 968 380 | 5 393 893 |
| 11 | | 478 737 | 42 633 | 74 157 | 14 257 903 | 1 118 209 | 3 478 732 | 19 450 372 |
| 12 | 14 647 320 | 79 655 | 60 533 | 22 659 | 65 826 101 | 25 032 121 | 5 396 668 | 111 065 056 |

g) reasons for significant changes in the topping-up or the removing of cover pool assets

The substantial movement in the topping-up of primary assets and the removal of primary assets from the cover pool in the year under review was influenced by the issuance of the CBs on 3 July 2024, when the nominal value of all four issues reached EUR 1 150 billion. Some discrepancies in the amount of the PA occurred in May as the covered bond was initially planned to be issued in June. Based on the unfavourable development of financial market conditions, the issue was postponed, which impacted the cover pool value. The market situation normalised, the issue was completed on 3 July, which had a positive impact on the value of the cover pool and the PA. The reason for removing PA (loans from the CB register) were also reasons of a technical nature, which appeared more prominently in the months of November and December – the source data did not contain loans with set parameters (e.g. unassigned collateral, or untracked insurance policy or county), therefore the CB register did not consider such, let's term them “non-compliant” loans, as full-value and the system automatically excluded these PA from the CB Register. The identified technical issues were resolved. On the other hand, the registry responds to these technical deficiencies, as evidenced by the fact that the CB Register does not include in the cover pool, (primary assets) doubtful mortgage loans that do not comply with legal standards and limits. It can be concluded that the whole system of the register is well configured in this respect.

h) structure of the real properties securing the primary assets in the cover pool, broken down into apartment buildings, family houses, apartments and other buildings

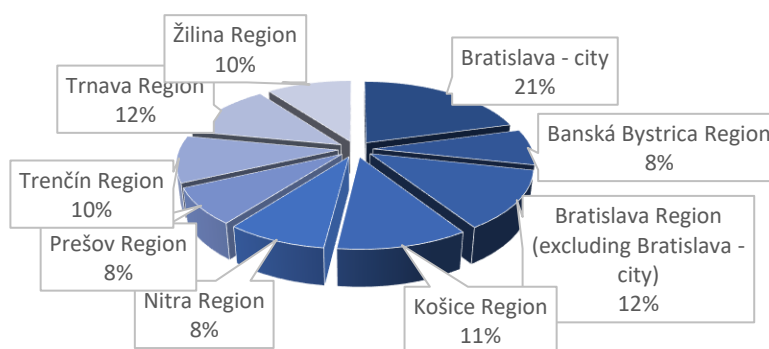
| Type of property | Property value (EUR) | Share (%) |
|---------------------|----------------------|-----------|
| Apartment buildings | 6 594 894 | 0.20% |
| Apartments | 1 303 253 519 | 38.59% |
| Family houses | 2 039 327 540 | 60.38% |
| Other buildings | 28 272 295 | 0.84% |



- i) the proportional distribution of the real properties used to secure the primary assets, broken down by the regions of the Slovak Republic (hereinafter referred to as “SR”) and by the LTV ratio

| Location of mortgaged property | Type of building – housing (Flat, House, Apartment) | | | |
|---|--|--------------------------|--|--|
| | Value of primary assets – housing loans (flats, family houses, apartments) (EUR) | Weighted average LTV (%) | Average mortgage loan amount in the region (only flats, family houses, apartments) (EUR) | Weighted average interest rate (%) (only flats, family houses, apartments) |
| Bratislava – city | 296 997 674 | 51.99% | 86 513 | 2.12% |
| Banská Bystrica Region | 109 021 876 | 52.59% | 47 691 | 2.49% |
| Bratislava Region (excluding Bratislava – city) | 178 450 456 | 52.21% | 78 096 | 2.19% |
| Košice Region | 158 200 503 | 54.13% | 61 366 | 2.37% |
| Nitra Region | 121 399 443 | 52.89% | 46 872 | 2.48% |
| Prešov Region | 110 351 131 | 52.42% | 49 154 | 2.45% |
| Trenčín Region | 141 694 369 | 52.46% | 49 457 | 2.46% |
| Trnava Region | 168 273 472 | 52.38% | 55 775 | 2.37% |
| Žilina Region | 145 440 961 | 51.92% | 55 238 | 2.50% |

Proportional distribution of real estate securing the primary assets according to the territorial division of the Slovak Republic



- j) the calculation method and the amount of the Bank’s estimated obligations or costs,

The method of calculation and the amount of the estimated obligations or cost of ČSOB was carried out pursuant to Section 68(3)(b). In 2024, the Bank’s estimated liabilities under the covered bond programme and the covered bond issuance were primarily related to the cost of the covered bond programme administrator and the CB programme deputy administrator, costs with fees for registration in the Central Securities Depository, financial market fees, legal fees, and rating agency fees. The total estimated liabilities as at 31.12.2024 were EUR 94 113.

k) methodology and results of stress testing

Pursuant to Section 76(1), a bank that is the issuer of covered bonds shall conduct stress testing under the covered bond programme to identify any change in the performance of the coverage ratio resulting from potential changes in market conditions that could adversely affect the coverage ratio. The Bank, as an issuer of covered bonds, is obliged to perform stress testing at least once a year, based on data as of 31 December of the previous year, where the stress testing should cover the period of the entire calendar year in which the stress testing is performed. From the relevant provisions of Section 76, it follows that stress testing shall be carried out for the entire year 2024.

Stress testing, pursuant to Section 76(3), must include testing for credit, interest rate, foreign exchange, liquidity, counterparty, operational and house price downside risks.

Interest rate and prepayment risk – the Bank does not use derivatives in the cover pool. The highest component of interest rate risk is prepayment risk; these primary assets are removed from the cover pool.

Downside price risk – a fall in market house prices adversely affects the LTV (the loan-to-value ratio); its deterioration reduces the value of mortgage loans that can be included in the cover pool.

Credit risk – the risk of loss in the event of loan default; such loans are removed from the cover pool.

Liquidity and counterparty risk – the market value of the substitution assets or liquid assets in the cover pool is generally adversely affected by changes in credit spreads. Liquid assets have to be removed from liquid assets in case of negative cash flow, so in this context there is a potential liquidity risk,

Stress testing for 2024

In the case of ČSOB, based on the structure of the cover pool (only the primary assets are included in the cover pool), the following values enter into stress testing:

1. nominal value of the primary assets,
2. nominal value and interest yields on the covered bonds, including the Bank's obligations and costs, associated with the tested cover pool

Results of stress testing of primary assets

ČSOB, in accordance with the legal obligation under Section 76 of the Banking Act, conducted stress testing at least once a year (by 31.3.) to identify any potential change in the coverage ratio based on data as of 31.12.2024.

ČSOB performed one-year stress testing, i.e., it quantified the value of the coverage ratio within the year based on an adverse scenario developed by a macroeconomist, which was also used for ICAAP purposes.

The Bank quantified the coverage ratio on an adverse scenario based on internal requirements for the primary assets of the cover pool. The Bank did not consider the diversification effect between different types of risks in the stress testing, i.e. the total impact of the stress scenario on the coverage ratio is the sum of the impacts of the individual types of risks.

After applying the stress scenarios to the cover pool as at 31.12.2024, the resulting coverage ratio would fall to 88.49% without the addition of further liquid assets. However, the Bank has additional eligible mortgage loans and other liquid assets (meeting all the criteria for primary assets in the cover pool). After the addition of these mortgage loans and liquid assets eligible for cover, where the value of the cover pool would reach a maximum of EUR 2.96 billion (after applying the stress scenarios), the coverage ratio would increase to 255.36%.

According to the submitted stress testing analyses of the cover pool as of 31.12.2024, the Bank sufficiently and safely, beyond its legal obligations, ensures the fulfilment of its obligations under the CB programme.

l) activity of the Administrator and the supervision of the NBS in relation to the CB Programme for the last calendar year

The Covered Bond Programme Administrator at Československá obchodná banka, a. s., Ing. Viktória Múčková, Ph.D., was appointed by the National Bank of Slovakia pursuant to the provisions of Section 77(1) of Act No. 483/2001 Coll. on Banks and on the amendment of certain acts, as amended (the “Banking Act”), by Decision No.: 100-000-602-946 to file No. NBS1-000-86-974 dated 13 November 2023.

The agreement on the performance of the activity of a covered bond programme administrator between Československá obchodná banka, a. s. and Ing. Viktória Múčková, Ph.D. was entered into on 14.11.2023.

Intensive cooperation between ČSOB, a. s. began with the preparation of documents for obtaining the authorisation to operate the Covered Bond Programme and the preparation of the new Covered Bond Register, but particularly in connection with the issuance of the European Covered Bonds (Premium) ČSOB SK 2026 I and ČSOB SK 2029 I under the debt securities issuance programme with a total nominal value of up to EUR 5 500 000 000 according to the base prospectus, and the re-registration of mortgage bonds as covered bonds and their inclusion in the Covered Bond Register.

For the CB issuance in 2024, I issued a certificate and by my signature confirmed that as at 27.6.2024, the Covered Bond Register met all the statutory requirements and conditions necessary for the coverage of the EUR 500 million issue, particularly in accordance with Section 70 Primary Assets, paragraphs (1) to (4), as well as Section 71 Requirements for real estate securing the primary assets, paragraphs (1) to (8) of the Banking Act, and other statutory conditions for coverage and calculation of the coverage ratio.

All costs associated with the issuance of the covered bonds, the supervision and control of the issuance, and other obligations associated with the issuance are reasonable and appropriate.

During the year 2024, control activities were carried out in accordance with Section 78 and Section 79, concentrated mainly on the control of all data contained in the CB register on a daily and monthly basis, in particular the primary assets in the cover pool, the structure of the primary assets, the regional distribution of assets – loans, LTV, types of collateral for loans, the level of interest rates, the duration of loans, the calculation and amount of the coverage ratio, the excluded and included loans in the Register, the causes and reasons for exclusion, the amount of the primary assets assigned to each issue, all in accordance with the Banking Act, as well as the relevant measures or guidelines of the NBS and related generally applicable laws and regulations.

m) other facts related to the activities of a bank issuing CBs

On 3 July 2024, ČSOB issued another covered bond issue in the total amount of EUR 500 million.

Prior to the issuance of the covered bonds, the Covered Bond Programme Administrator prepared a certificate for the purpose of checking the cover pool. The cover pool included primary assets as defined in the Banking Act. The Bank did not use substitution assets, liquid

assets or hedging derivatives to cover the issue. The primary assets complied with the terms of the Banking Act.

The July issue affected the movement of primary assets in the cover pool. Several primary assets were removed and at the same time replaced with new assets so that their total value met the coverage requirements and the required level of the coverage ratio. The Bank prepared a list of the loans removed, including the reasons and causes for their removal, as well as a list of the newly included primary assets. Although the Bank did not commit itself in its prospectus to a specific level of overcollateralization, in practice it maintains a high level of coverage, significantly exceeding the statutory minimum of 105%.