

Slovenská sporiteľňa, a.s. Investor Presentation

October 2022

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Executive Summary – SLSP's Funding Plan Reflects Currently Valid MREL Requirements

Slovak Republic

- Member of European Union (since 2004) as well as Eurozone (2009)
- Sovereign ratings at A+ with negative outlook (S&P), A with negative outlook (Fitch) and A2 with negative outlook by Moody's
- Recovery after COVID-19 recession was brisk, labour market is reasonably safe, but high inflation and global problems due to war emerged

Erste Group

- Founded in 1819 as the first Austrian savings bank, Erste Group went public in 1997 with a strategy to expand its retail business into CEE
- Erste Group has grown to one of the largest financial services providers in the Eastern part of EU in terms of clients and total assets
- Number of customers has increased from 600,000 to 15.7 mil. in Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia and Serbia
- Erste Group strives to be the leading retail and corporate bank in the eastern part of the European Union, including Austria

Slovak Banking Market

- Lending growth sped up as housing loans are booming due to expectations of higher rates, recovery of businesses also contributed
- Net profit remained solid in H1 2022 thanks to growing operating income (mainly NFCI and recovering NII) and still rather benign risk costs
- Pressure on NII eased, TLTRO continues to help; asset quality and capitalisation still solid, although it seems that cycle has already turned
- Loan growth should moderate in coming years to match economy growth while deposits are expected to grow at only somewhat higher rate

Slovenská sporiteľňa* (SLSP)

- SLSP is the largest bank in Slovakia in terms of total assets, total loans, total deposits as well as distribution network (as of June 2022)
- Current rating from Moody's stands at A2 with stable outlook, while covered bonds have been rated at Aaa by Moody's
- Net profit improved in H1 2022 by 10% y-o-y thanks to growing NFCI; NII would have also increased excluding one-off related to TLTRO
- SLSP is among the leading banks in ROE, CIR as well as capital ratios

MREL Requirements

- In June 2022, SLSP received its new MREL requirements
- SLSP must comply with binding interim MREL requirements equivalent to 16.49% (excluding CBR) of the Total Risk Exposure Amount (TREA) and 5.93% of the Leverage Ratio Exposure (LRE) of the Slovak resolution group starting from 1 January 2022
- The MREL requirements on fully loaded basis, effective from 1 January 2024, are equivalent to 22.62% of TREA (excluding CBR) and 5.93% of LRE of the Slovak resolution group, respectively. No subordination requirement was set.

Presentation Topics

1. Erste Group | SLSP at a Glance
2. Slovak Republic
3. Slovak Banking Market
4. Slovenská sporiteľňa
5. Long Term Funding | MREL Requirements
6. Sustainable Finance Framework Overview
7. Covered Bonds and Cover Pool Overview
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Erste Group's Footprint – Leading Retail and Corporate Bank in 7 Geographically Connected Countries

Erste Group's Footprint

Czech Republic

Customers: 4.5m
Employees: 9,818
Branches: 398

Slovakia

Customers: 2m
Employees: 3,633
Branches: 195

Hungary

Customers: 0.9m
Employees: 3,241
Branches: 103

Austria

Customers: 3.9m
Employees: 15,661
Branches: 804

Croatia

Customers : 1.2m
Employees : 3,307
Branches: 133

Direct presence

Indirect presence

Serbia

Customers: 0.4m
Employees: 1,207
Branches: 88

Romania

Customers: 2.8m
Employees: 5,253
Branches: 323

Key Information as of June 2022

Total assets EUR 327bn

Net profit EUR 688m

NPL coverage 91.8%

NPL ratio 2.2%

CET 1 ratio* 14.2%

Total capital ratio* 18.5%

Loan/deposit ratio 84.9%

Leverage ratio 6.3%

Credit ratings** A+ (Stable) / A2 (Stable) / A (Stable)

* Basel 3, fully loaded

** S&P / Moody's / Fitch; as of December 16, 2021

Basic Information – Slovenská sporiteľňa at a Glance

Slovenská sporiteľňa's Footprint

Slovak market leader with largest distribution network

- Established in 1825 and 100% Erste Group ownership since 2001
- No. 1 in total assets, total loans, total deposits, number of branches and ATMs in Slovakia
- Long-time leader in mortgage/housing loans
- The largest commercial bank in Slovakia servicing around 2 million clients

Ratings of Slovenská sporiteľňa (Moody's Deutschland GmbH)

Long-term Deposit	Long-term Issuer	Senior Unsecured Bonds	Covered Bonds
A2 stable	A2 negative	A2 negative	Aaa

Key Information as of June 2022

Total assets	EUR 24.0bn
Net profit	EUR 99.8m
ROE	9.9%
NPL ratio	1.8%
Total capital ratio***	20.2%
No. of customers	2.0m
Branches	195
ATMs	753

* Basel 3, phased-in

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Slovak Republic – Key Figures

Area: 49,035 km²

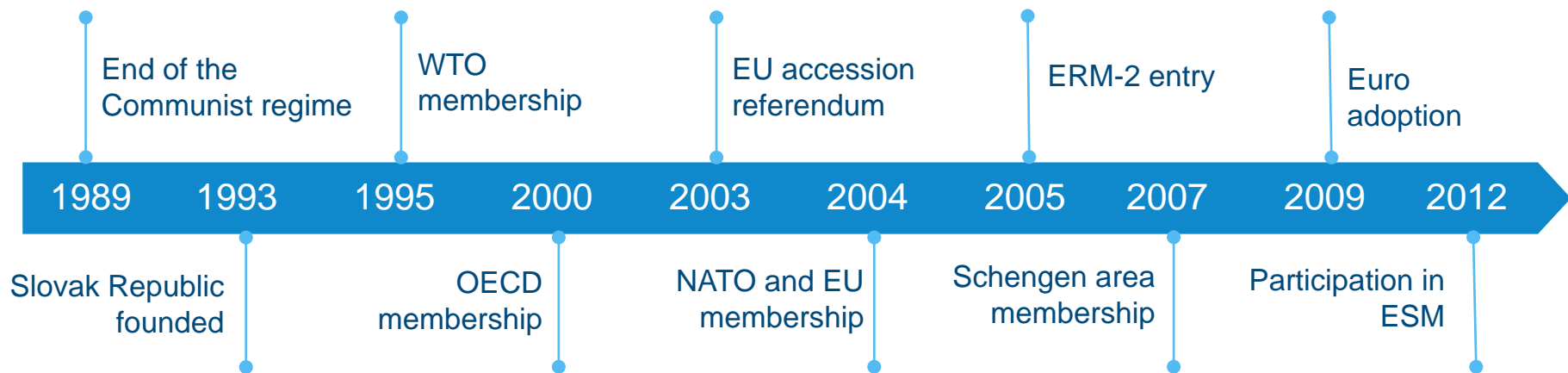
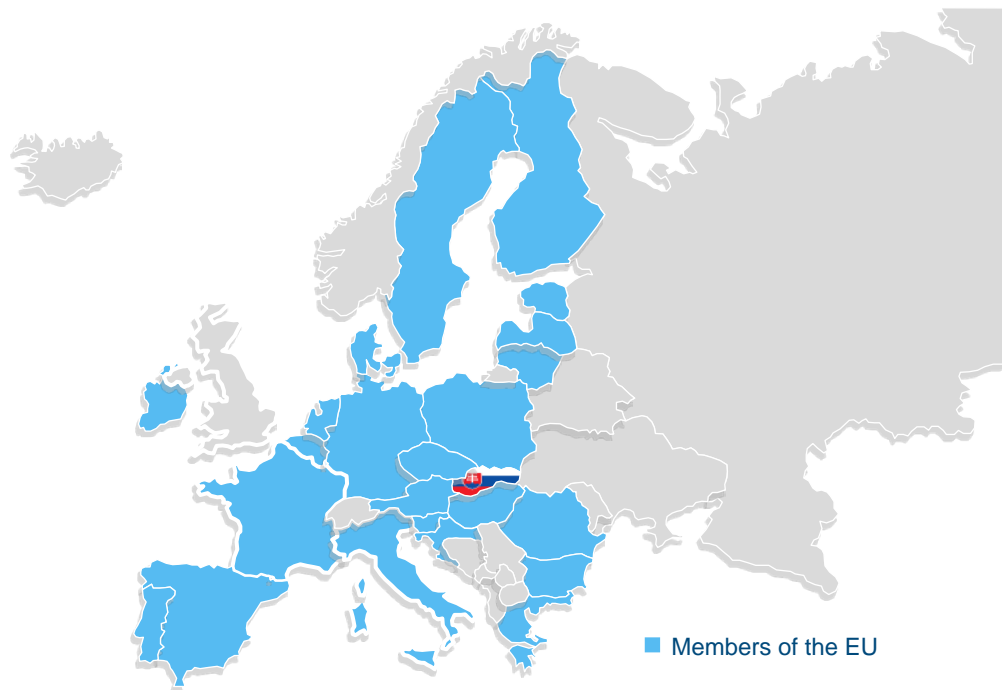
Population: 5.4 million

GDP per capita: Approx. EUR 17,800 in 2021

Credit ratings*: A2 (negative outlook) | A+ (negative outlook) | A (negative outlook)

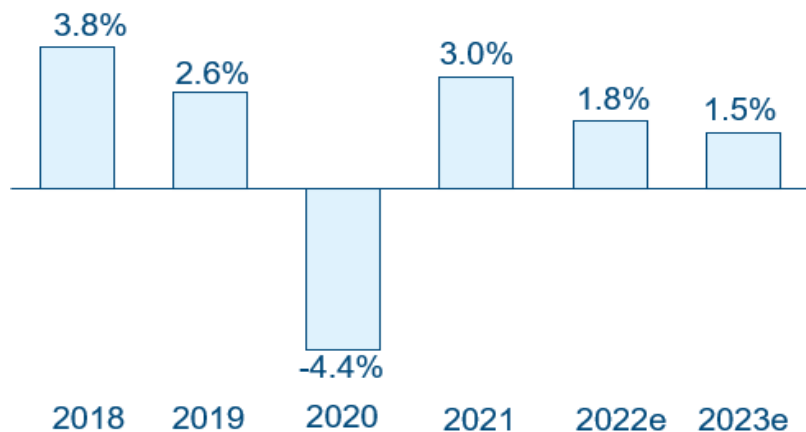
Capital: Bratislava

* Ratings by Moody's | S&P | Fitch



Slovak Republic – Macroeconomic Development

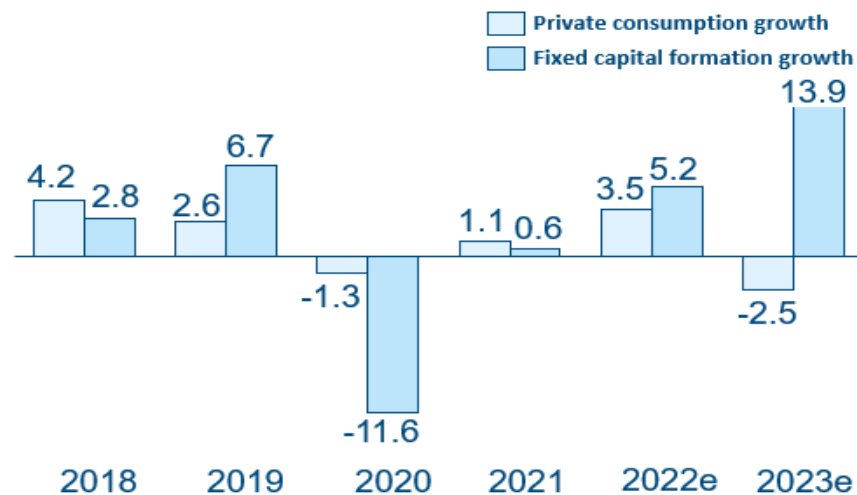
Real GDP Growth



Source: Statistical Office, SLSP Research

- **The Slovak economy performed slightly better than expected both in Q1 22 (+3.1% y-o-y) and Q2 22 (+1.8% y-o-y)**
 - Domestic demand has been the main contributor to the growth
- **Full-year average growth in 2021 reached 3% y-o-y**
 - Third wave of COVID-19 and supply-chain disruption slowed the economic recovery in the final quarter of the year

Components of GDP (%)

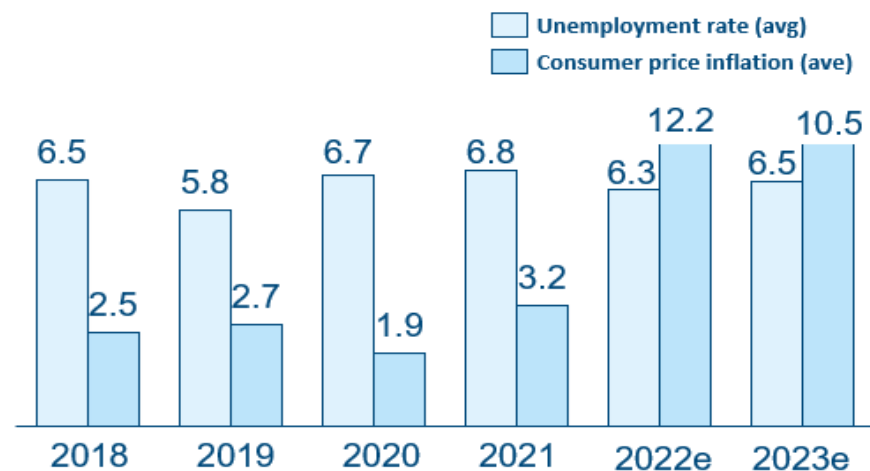


Source: Statistical Office, SLSP Research

- **We expect GDP to rise by 1.8% in 2022**; forecast was pushed downward owing to the Russian invasion of Ukraine and issues caused by energy crisis
- Economic performance has been dampened by **imposed sanctions, supply-side tensions and rising inflation** (hampered household consumption, willingness to invest and trade flows)
- Impact on the automotive industry negative due to missing inputs
- **Growth stimuli expected from EU funds** (especially in 2023) and new car plant by Volvo (construction will probably start in 2024/25)

Slovak Republic – Macroeconomic Development (cont'd)

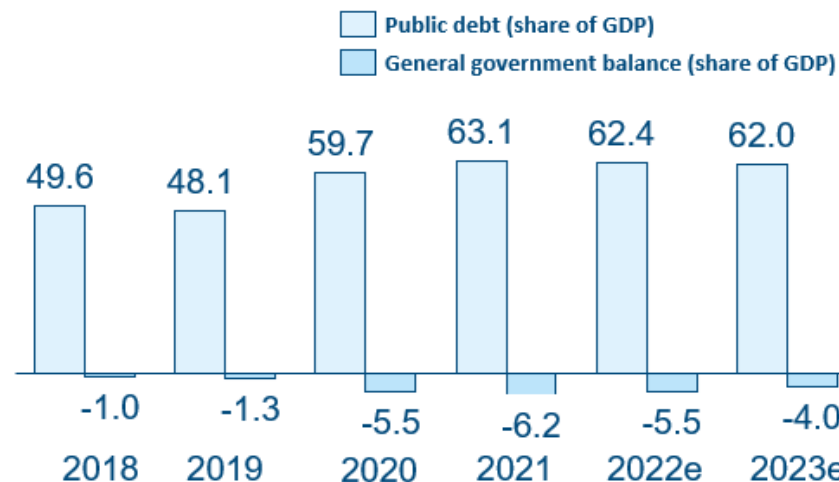
Unemployment and Inflation (%)



Source: Statistical Office, SLSP Research

- **Unemployment rate expected to average 6.3% in 2022**
- **The inflation rate has been on the rise (14% in August)**, mainly due to higher energy prices for households in 2022 (prices for households are regulated) and commodity prices (especially food)
 - Other important factors were fuels and building materials (through imputed rents item). However, some of the pressures are expected to be temporary (base effects).
- **The average inflation rate is expected above 12% in 2022, then it should ease to about 10% in 2023**

Public Debt (share of GDP)

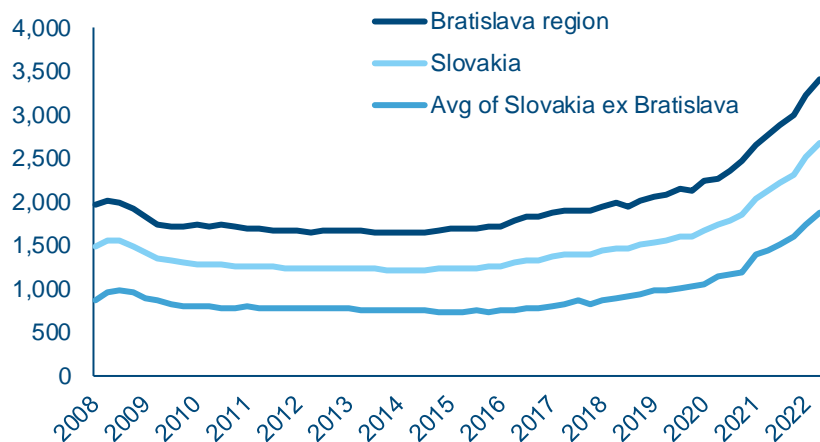


Source: Statistical Office, SLSP Research

- Fiscal deficit was slightly above 6% in 2021 with the debt-to-GDP ratio at 63.1%
- **We expect the deficit to reach 5.5% in 2022**, as the war in Ukraine will accelerate fiscal spending (humanitarian and defense purposes, support for households and businesses)
- On the other hand, the debt-to-GDP ratio will be affected by elevated inflation, accelerating the growth of nominal GDP

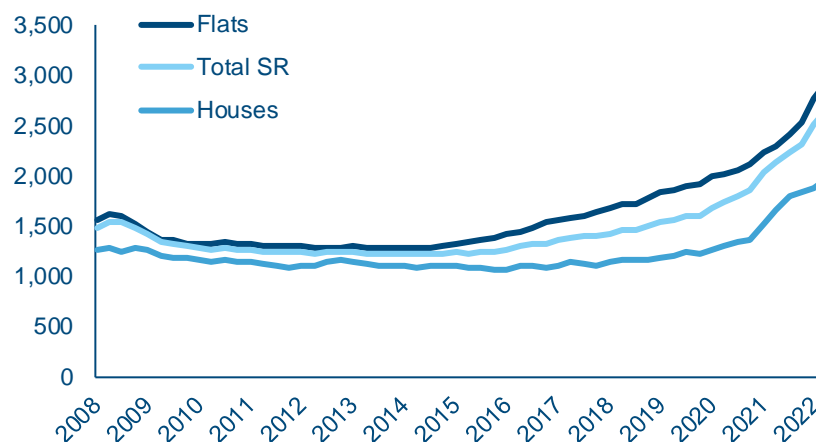
Slovak Republic – Domestic Residential Real Estate Market Overview

Property Prices per Region (EUR/M2)



Source: National Bank of Slovakia

Property Prices by Type (EUR/M2)

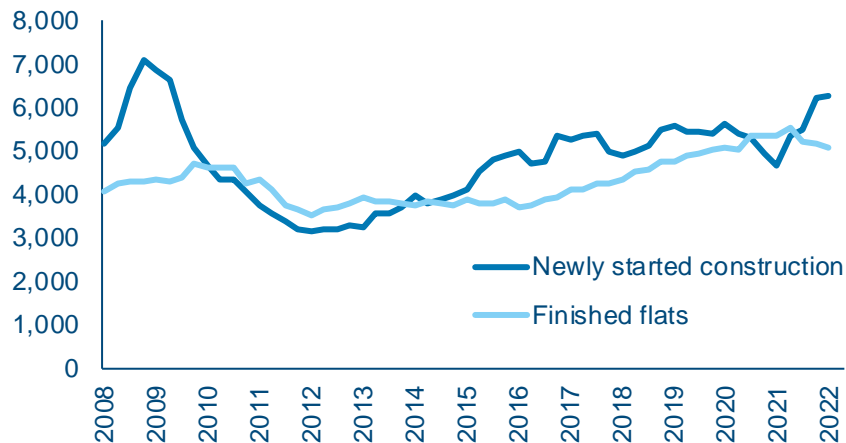


Source: National Bank of Slovakia

- **As of Q2 2022, property prices grew by more than 25% y-o-y** while year 2021 also brought double-digit growth (around 20% y-o-y)
 - Recent development indicates significant drift away from fundamentals, and the prices are already approaching higher risk territory
 - Still solid growth of disposable income, coupled with low interest rates, weaker supply and partially “safe haven” effect, were the main causes behind the property prices increase
- Flat prices had shown much higher price appreciation than houses in the past
 - Prices are growing across all flat sizes
- However, recent two years brought acceleration of growth also in house prices

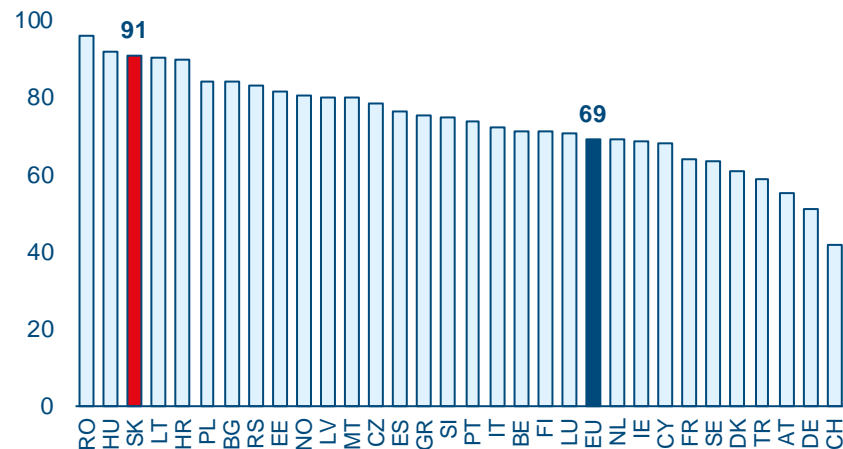
Slovak Republic – Domestic Residential Real Estate Market Overview (cont'd)

Construction of New Flats (number)



Source: Statistical Office

Share of Population Living in own Dwellings (%)



Source: Eurostat (2020)

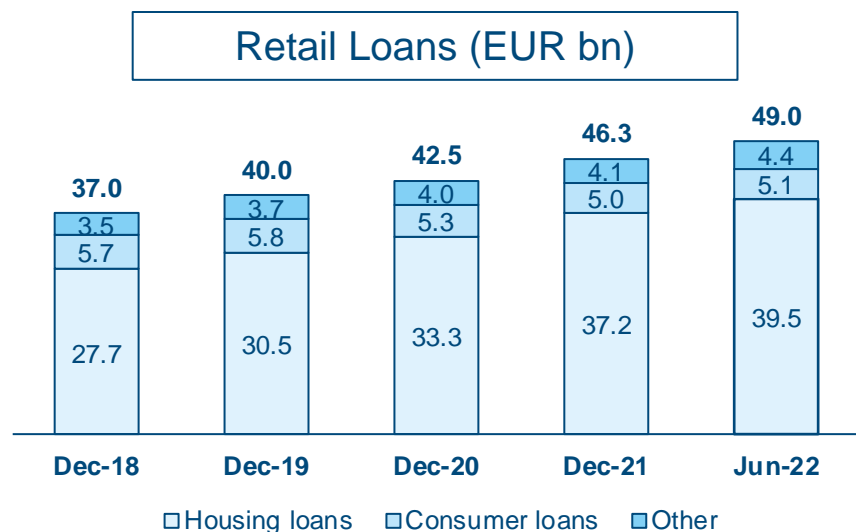
- Rather weak supply has contributed to the rapid growth of real estate prices in recent years
 - Significant lack of new projects seen mainly in Bratislava
 - COVID-19 affected the new construction negatively, although it already picked up in Q4 2021
 - Long waiting periods for building and other permits also hamper market flexibility

- Historically, Slovaks have high tendency for house/flat ownership – more than 90% of population live in own dwelling
- Rental market is underdeveloped, certain measure has already been proposed by the government to increase share of rental real estate

Presentation Topics

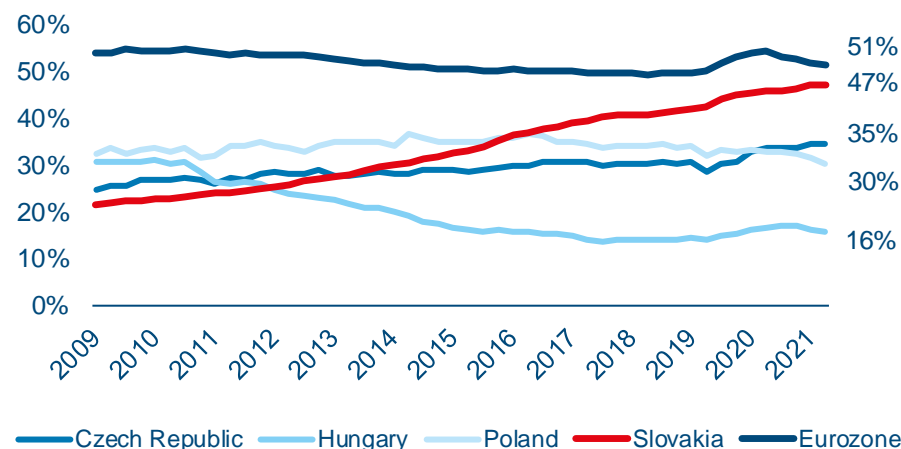
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Banking market – Outstanding Retail Loans and Debt of Households



Source: Individual financial statements of respective banks, NBS, SLSP

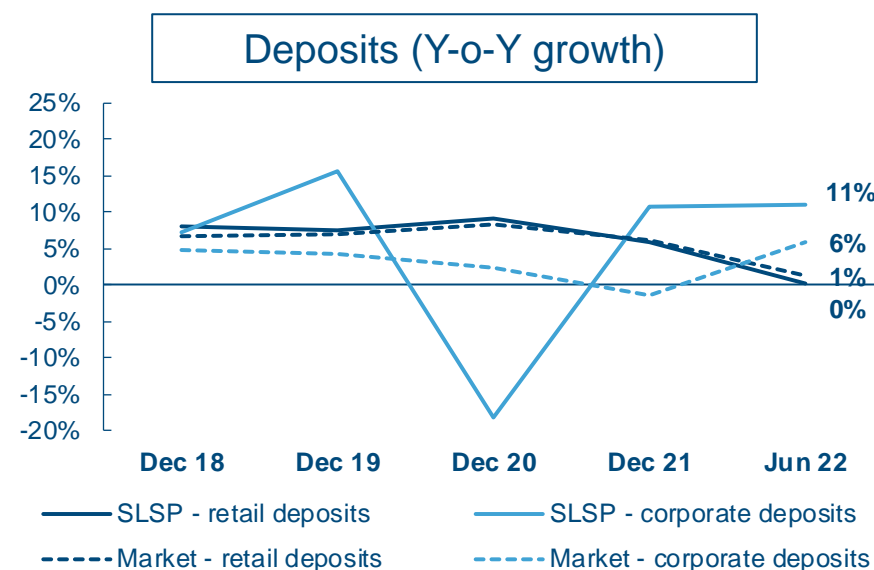
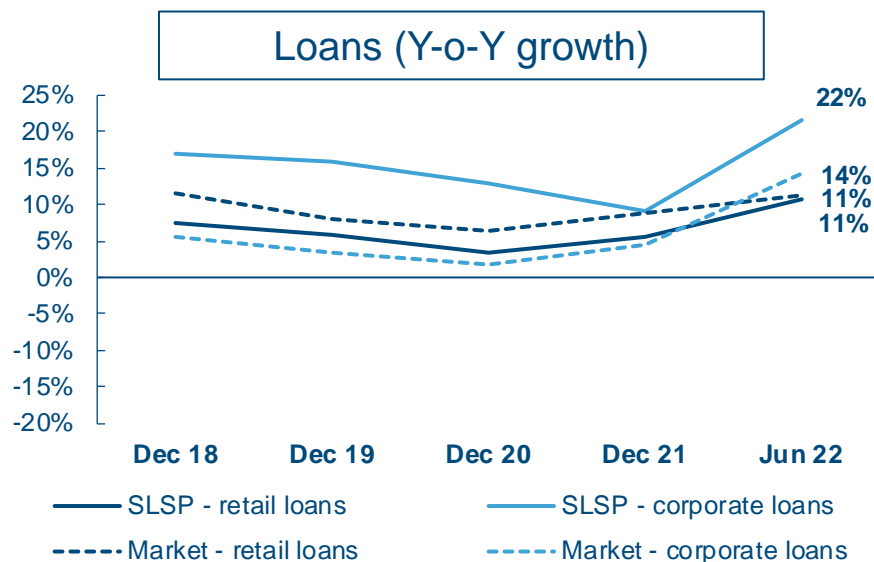
- **Housing loans constitute the majority of retail loans**
- **After the growth eased to 6% at the beginning of 2021, it accelerated again to more than 12% as of June 2022**
 - Mortgages were the main driver as growth remained high amid growing interest rates (“frontloading” effect)
 - Portfolio of consumer loans kept shrinking y-o-y, although certain recovery has already been underway
- We expect the growth to decelerate in the coming years, mainly due to lower demand as well as stricter regulation*



Source: Individual financial statements of respective banks, ECB, SLSP

- **In recent years, indebtedness of Slovak households has shown the most dynamic development in Eurozone**
- Currently the ratio of retail loans to GDP is the highest among peer countries, nevertheless, still somewhat below the Eurozone average
- Our forecast for coming years is that the ratio will stabilize below 50%
 - Although the growth of indebtedness eased in 2019, slump in GDP in 2020 together with still solid retail loans growth has had negative effect on the ratio

Banking market – Outstanding Loans and Deposits



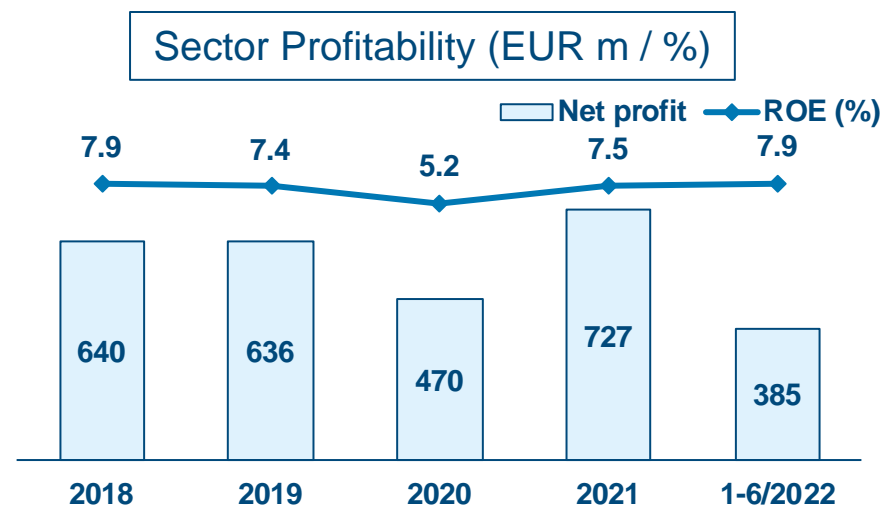
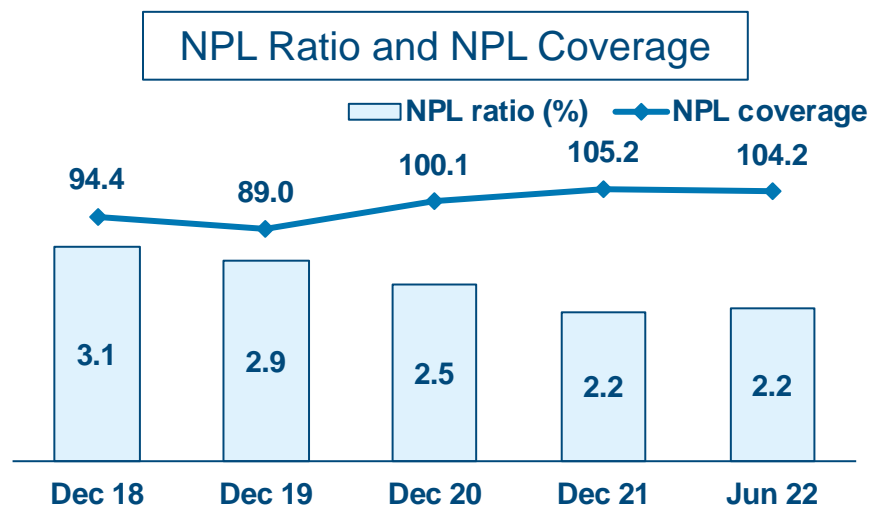
Source: Individual financial statements of respective banks, NBS*

- The pace of **retail loans growth reached 11%** as of Jun-22
 - Gradual acceleration seen since the pandemic year 2020
 - As of Jun-22, market housing loans grew by 12.5% y-o-y (above 13% y-o-y at SLSP) and portfolio of consumer loans was stable y-o-y (also thanks to one-off, it would have declined otherwise)
- Total volume of retail loans was EUR 49bn as of Jun-22 for the whole sector and EUR 12.1bn for SLSP
- The volume of **corporate loans** increased by 14% y-o-y to EUR 26.6bn
 - At SLSP, growth was 22% y-o-y, volume reached EUR 4.9bn

Source: Individual financial statements of respective banks, NBS*

- The growth of customer deposits reached 5% y-o-y as of Jun-22
- **Market retail deposits growth fell to just 1% y-o-y while it was just slightly above 0% at SLSP**
 - Total market volume of retail deposits was at EUR 46.9bn, while SLSP's volume reached EUR 13.2bn as of Jun-22
- Market **corporate deposits** rose by 6% y-o-y to EUR 19.5bn
 - At SLSP, they increased by 11% y-o-y to EUR 2.7bn after drop in 2020 due to changes in pricing
- **Market loan-to-deposit ratio reached 110.3% as of Jun-22**

Banking market – NPL Rates and Profitability of the Sector



Source: Individual financial statements of respective banks, NBS

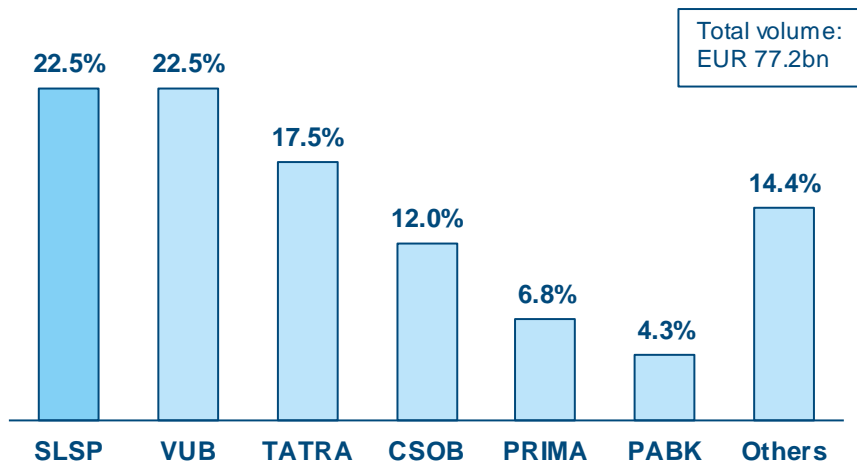
- **Total volume of non-performing loans has been declining in recent years, recent quarters brought stable development**
 - Both retail (despite rapid growth in lending) and corporate business contributed positively to this development
- **The impact of the pandemic was softened by state moratoria, NPL rates did not increase at all**
- Sudden increase in NPL coverage in 2020 due to forward looking LLP creation due to the Covid-19 pandemic

Source: Individual financial statements of respective banks, NBS

- **In H1 2022, net profit of the sector at EUR 385m was almost 4% higher than a year ago**
 - Net interest income started to recover while fee income continued to grow at fast pace
 - Operating expenses increased at lower pace than the income
- **Slovak banks posted net profit of EUR 727m in 2021, more than 50% up year-on-year**
 - Lower risk costs and cancelled bank levy were the main causes
 - Operating result contributed negatively, although only slightly, to the growth through higher operating expenses

Banking market – Main Players

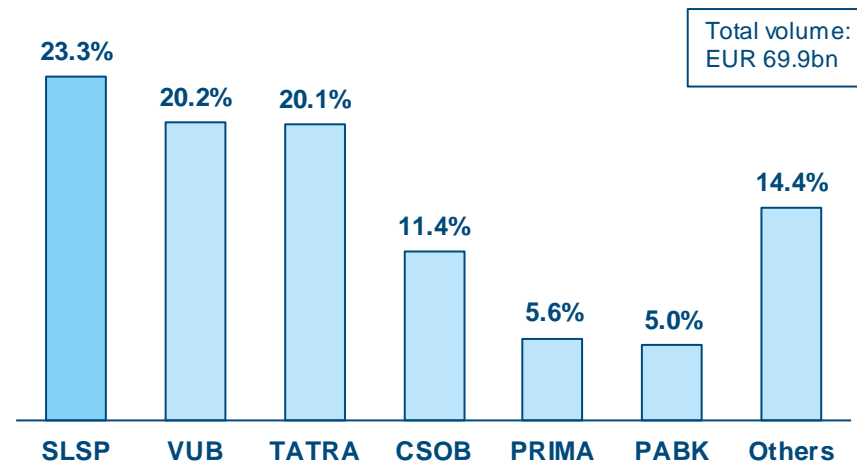
Loans Market Share (June 2022)



Source: Individual financial statements of respective banks, NBS

- **SLSP was close number 1 in total loans to customers as of June 2022**
 - While **SLSP's** market share increased by 11bp in H1 2022, previously first **VUB** lost 36bp
- Market share of the third largest bank, **Tatra banka**, increased by 14bp while the fourth CSOB improved its market share by 35bp

Deposits Market Share (June 2022)



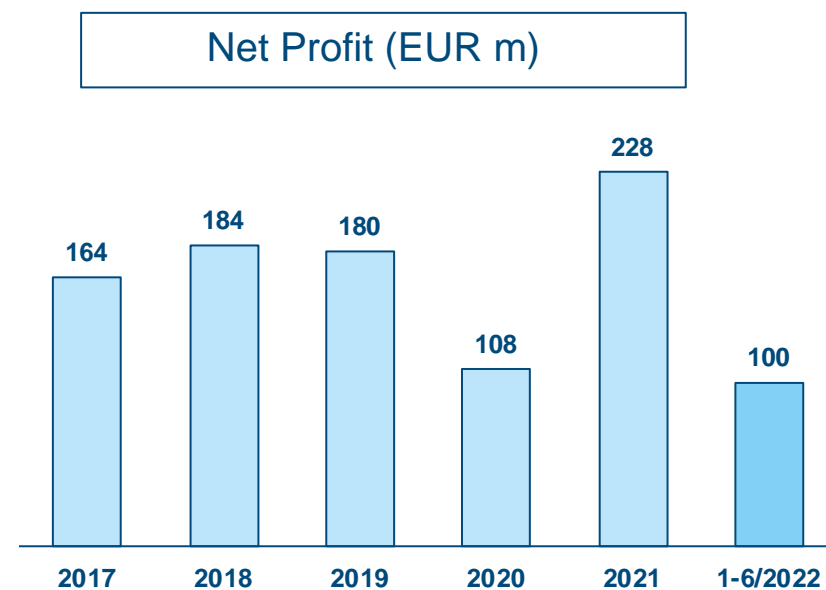
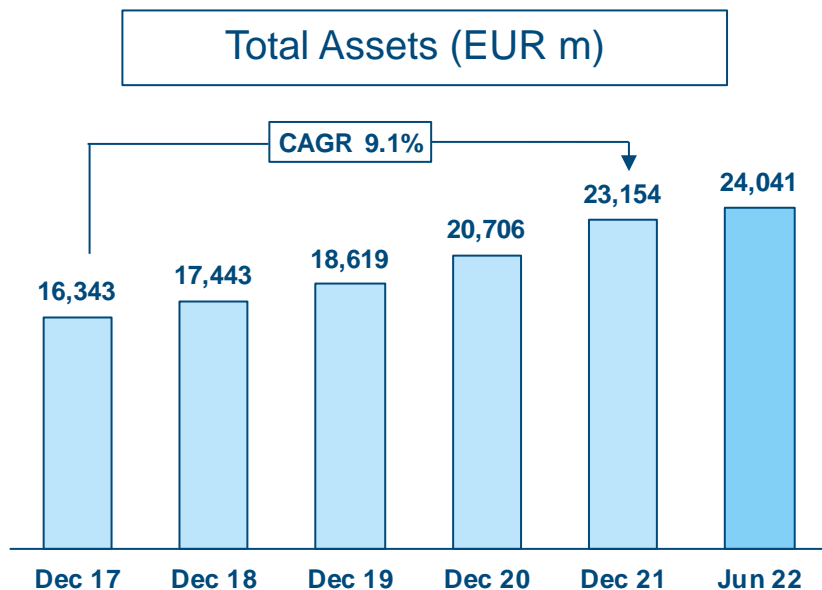
Source: Individual financial statements of respective banks, NBS

- **SLSP remains the bank with the highest volume of customer deposits**
- **SLSP's** share in customer deposits increased by solid 32bp to 23.3% in H1 2022, driven mainly by the corporate segment
- **Tatra banka** also experienced fast market share growth (+58bp) and closed the gap behind the second VUB (+15bp)

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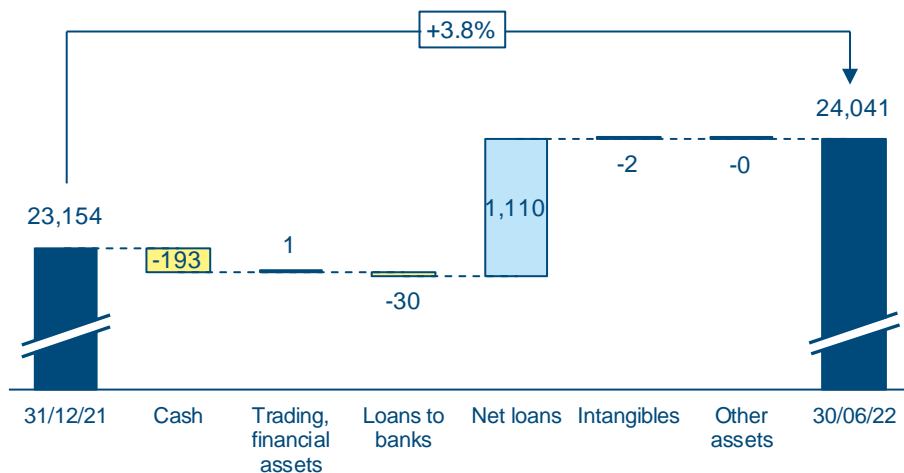
Historical Performance of SLSP – Stable Growth of Total Assets and Above Average Profitability



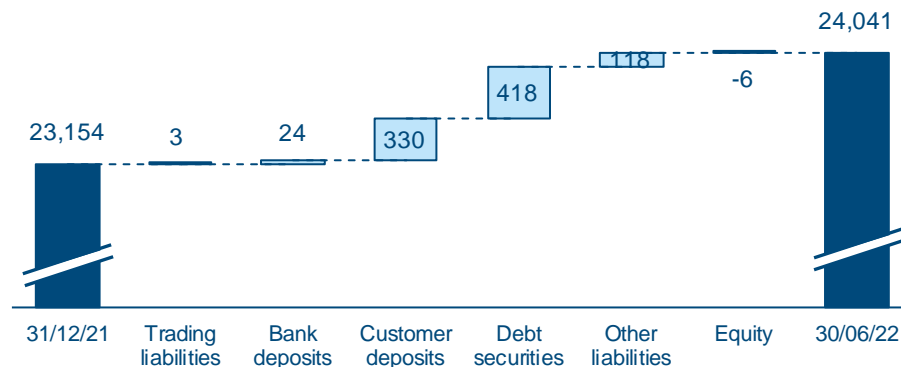
- **SLSP has been the long-time leader in total assets in Slovak banking sector**
- Customer loans were historically the main driver of the balance sheet growth
- Cash position (due to TLTRO*) inflated the balance sheet in 2021
- **In H1 2022, net profit increased by 9.5% y-o-y on the back of improved operating result** (mainly higher NFCI)
- **In 2021, net profit more than doubled y-o-y** mainly on lower risk costs (due to better-than-expected asset quality), cancelled bank levy and improved operating result (+5%)
- **Year 2020 was extraordinary due to the COVID-19 recession**
 - Significantly higher risk costs booked in expectation of wave of defaults (state moratoria helped significantly to avoid that)
 - Operating income declined only slightly (-1%) despite the recession

Financial Results of SLSP – Balance Sheet Performance

Assets Reconciliation (EUR m)



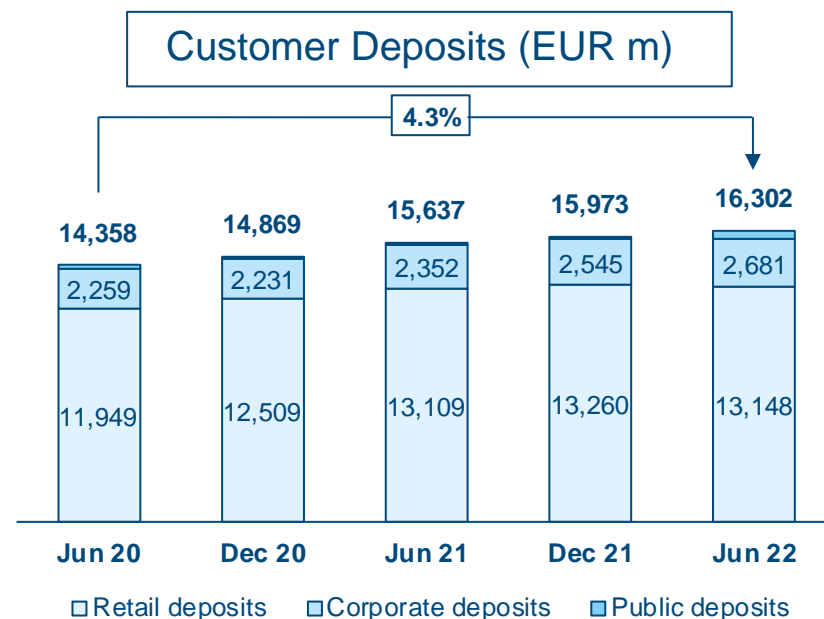
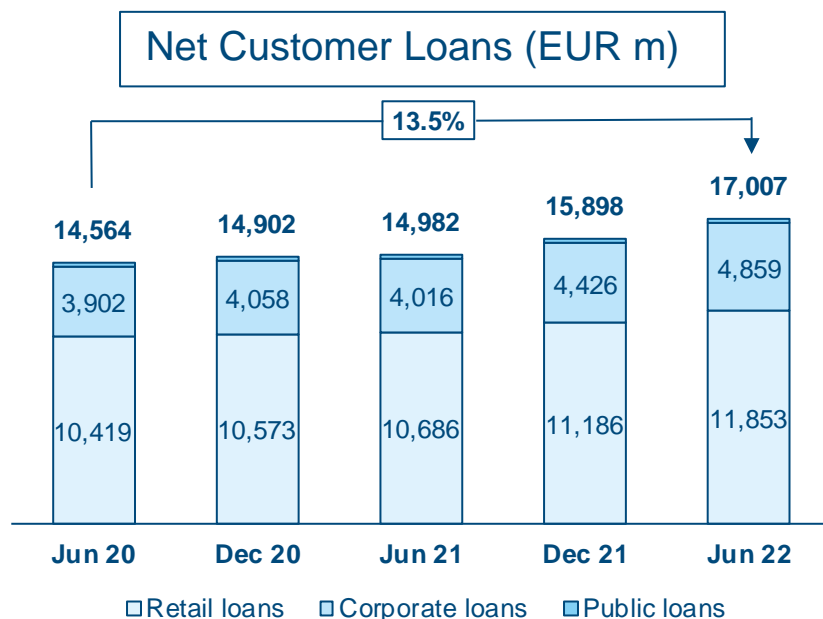
Liabilities Reconciliation (EUR m)



- **Balance sheet growth was driven by net loans to customers**
 - Volume of loans to customers rose by solid +7% YTD as of Jun-22
 - Out of that, loans to households grew by 6% YTD driven by housing loans while portfolio of corporate loans expanded by 9% YTD
- **Cash position** was consequently reduced by almost 7% YTD
- Volume of **financial assets** was virtually unchanged YTD
- As a result, **total assets** balance increased by almost 4% YTD

- Volume of **customer deposits** expanded by 2% YTD
 - Retail deposits even shrank during the quarter (-1%)
 - Corporate deposits grew by 5% YTD
- **Deposits from other banks** stabilized after excessive growth due to TLTRO utilization in 2021
- 500m **covered bond issuance pulled issued debt securities** up by more than 20%
- **Equity** showed flat development and remained at 2bn

Financial Results of SLSP – Balance Sheet Performance (cont'd)

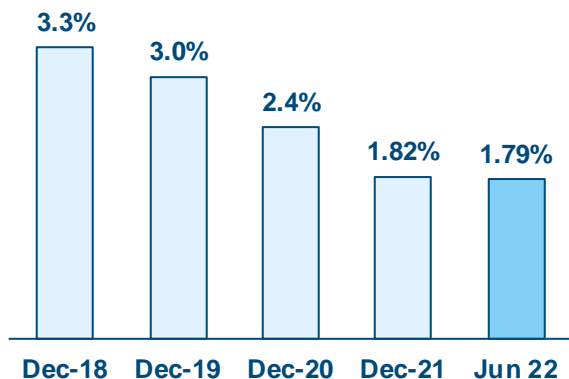


- **Customer loans growth accelerated to almost 14% y-o-y as of Jun-22**
- **Somewhat lower pace (11% y-o-y) was recorded in retail loans**
 - Annual growth of housing loans already increased above 13% y-o-y in Q2 22; it had been slightly below 5% just a year ago
 - Consumer loans portfolio has also showed certain signs of recovery as it declined by less than 2% y-o-y as of Jun-22
- **Corporate & public loans growth sped up to 20% y-o-y**
 - All segments contributed positively

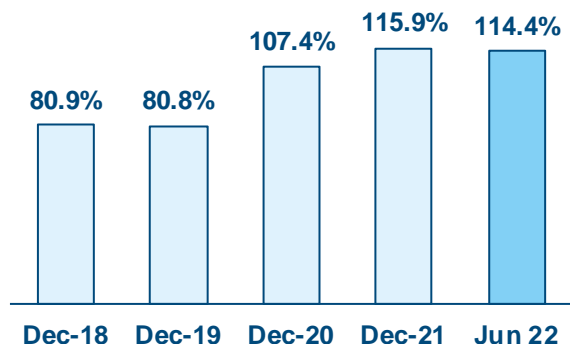
- **SLSP's customer deposits expanded by 4% y-o-y as of Jun-22**
- **Growth of retail deposits almost came to a halt in Q2 22**
 - It was at 10% y-o-y as of Jun-21
- **Deposits from non-financial corporates grew by 13% y-o-y**
 - LC and CRE segments were the main contributors
- **Net L/D ratio increased both q-o-q and y-o-y as it reached the highest level in history at 104.3%**

Financial Results of SLSP – Key Financial Ratios

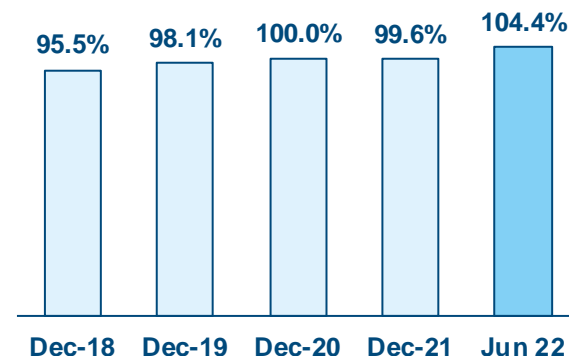
NPL Ratio



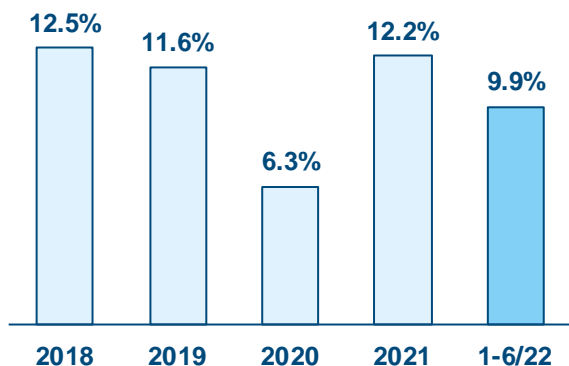
NPL Coverage



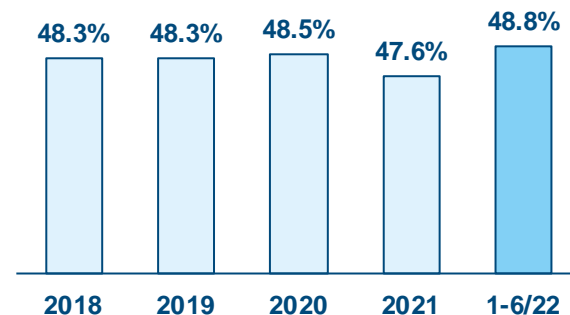
Net Loan/Deposit Ratio



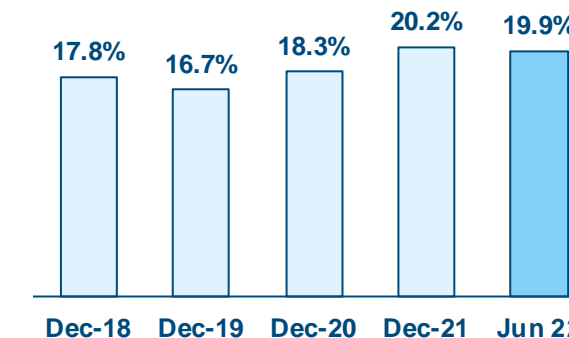
ROE



Cost/Income Ratio

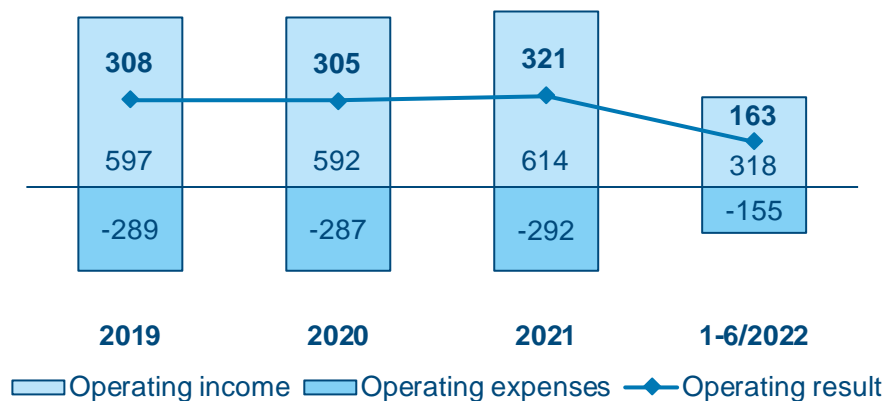


Solvency Ratio*

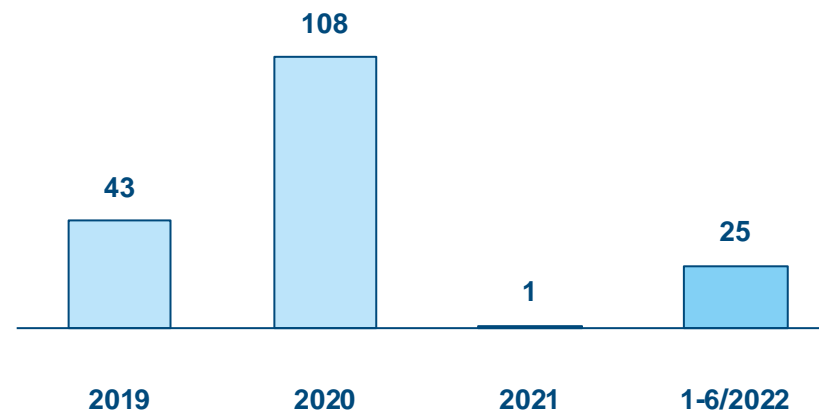


Financial Results of SLSP – Operating Result and Risk Provisions

Operating Result (EUR m)



Risk Provisions (EUR m)

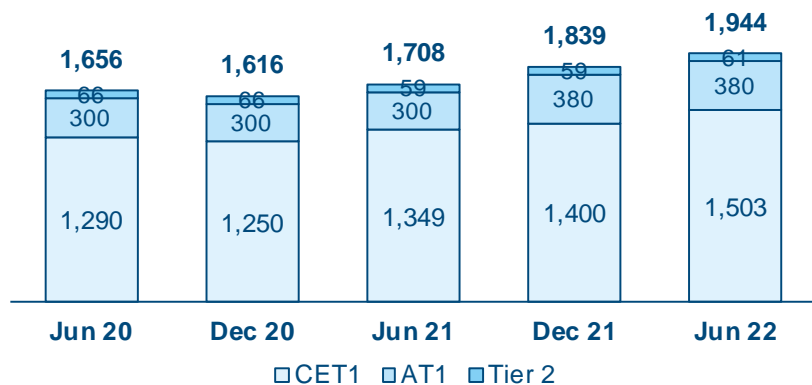


- **In H1 2022, operating result went up by solid 5% y-o-y**
 - **Operating income** rose by 5% y-o-y thanks to strong NFCI improvement by 18% and positive NTI contribution; NII declined slightly as there was one-off due to catch-up effect from TLTRO (it would have increased by around 4% y-o-y)
 - **Operating expenses** rose by 5% as well; while PEREX remained almost unchanged y-o-y (+1%), other operating expenses rose due mainly to IT costs
 - **Cost-income** ratio remained below 50% at 48.8%
- **Operating result reached EUR 321m in 2021**, 5% more than a year ago

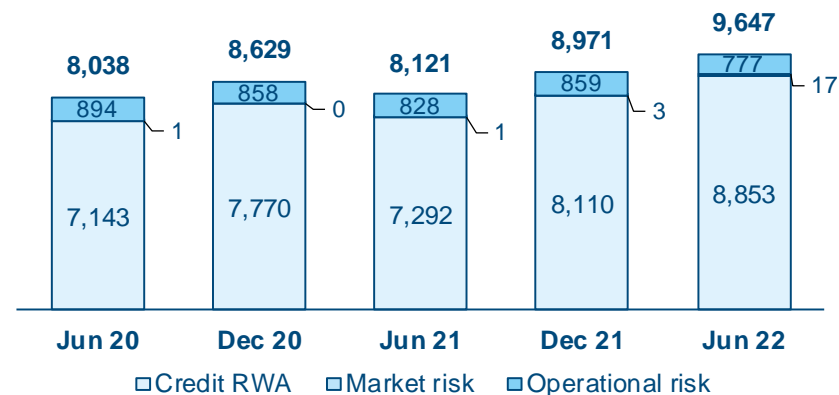
- **Risk costs returned to more usual levels in H1 2022 at EUR 25m and 0.3% of gross loans**
- Provisioning went down substantially from EUR 108m in pandemic-affected 2020 to virtually zero in 2021
 - The increase in 2020 was driven mostly by forward looking creation of risk provisions, the risk has not materialized though
 - Although H1 2021 result at EUR 26m was only slightly above the result of H1 2022, net release of loan-loss provisions was booked in the second half of 2021

Capital Position of SLSP – Capital Adequacy

Basel 3 Capital (EUR m)

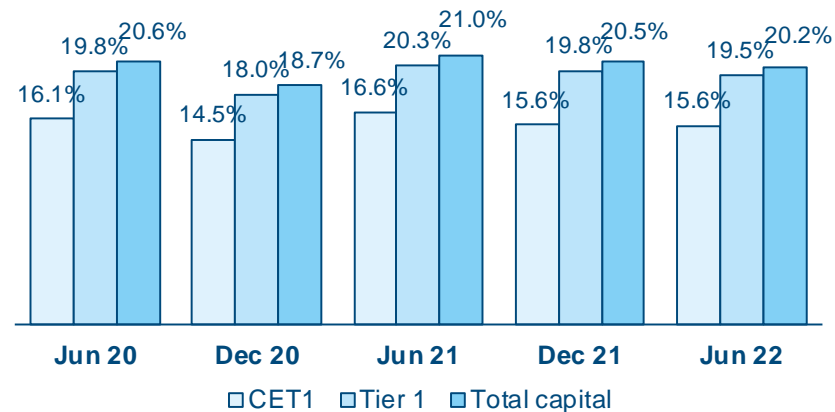


RWAs (EUR m)



- SLSP's capital position has been strong and well above minimum requirements
- Issuance of Additional Tier 1 capital (EUR 380m) in 2020 and 2021 and helped significantly, increasing capital adequacy above 20%

Basel 3 Capital Ratios



Presentation Topics

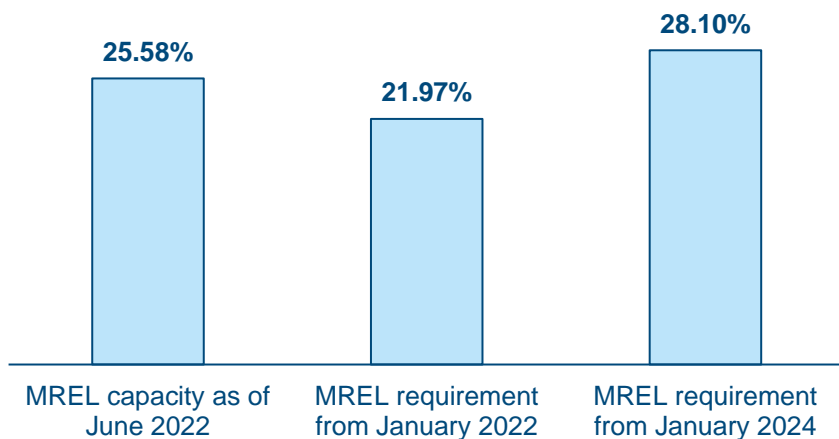
1. Erste Group | SLSP at a Glance
2. Slovak Republic
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MREL Requirements | MPE Approach

Slovak Resolution Group

- Major entities within the Slovak resolution group:
 - Slovenská sporiteľňa, a.s.
 - LANED a.s.

MREL as of June 2022



Key Take-aways

- In June 2022, SLSP received its MREL requirement calibrated on balance sheet data as of 31 December 2020 and based on BRRD2.
- SLSP, as the Point of Entry of the Slovak resolution group, must comply with interim binding MREL de-jure requirement of 16.49% of RWA, MREL de-facto requirement of 16.49% plus the current CBR (combined buffer requirement) from 1 January 2022. The current CBR is at approximately 5.5%.
- SLSP's final MREL requirement valid from 1 January 2024 currently stands at 22.62% of RWA plus the current CBR. SRB recalibrates this requirement every year. However, no major changes are expected in the future. SLSP is not subject to any subordination requirement.
- SLSP's MREL requirement expressed as percentage of leverage ratio exposure measure stands at 5.93%. Although this requirement has to be complied with along the RWA based requirement, it is less strict in case of SLSP and therefore not relevant.
- Based on the Slovak resolution group's RWAs as of June 2022, the MREL ratio stood at 25.09%.
- SLSP's funding plan reflects currently valid and expected MREL requirements. Any potential changes in the MREL requirement will be reflected in SLSP's funding plan to ensure regulatory compliance.

Long Term Funding

DIP Summary

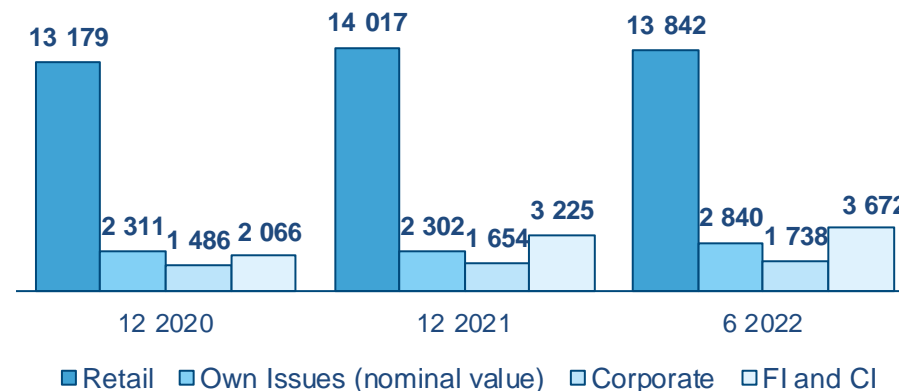
Issuer:	Slovenská sporiteľňa, a.s.
Issuer's Rating:	A2 stable, Moody's
DIP Size:	EUR 5,000,000,000
Instruments:	covered bonds, SP, NPS, T2
Listing:	Bratislava Stock Exchange
Language:	Slovak and English

Covered Bonds Details

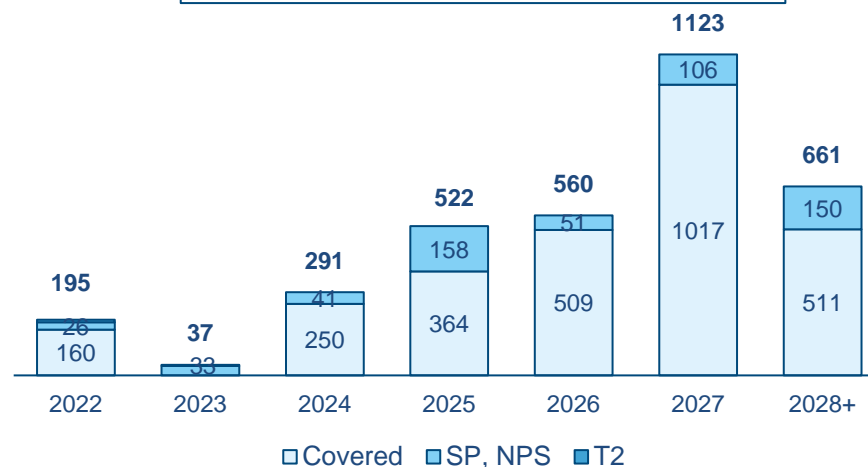
Covered Bonds Rating:	Aaa, Moody's
Cover Pool:	Slovak residential mortgage loans only
Legal OC:	5.0%
Committed OC:	7.5%
Max. loan res. maturity:	30 years
Max. LTV:	80%
Governing Law:	Slovak
CB Compliance:	UCITS, CRR Art.129 and Solvency II
CB Eligibility:	LCR, ECB and CBPP3

Since 8 July 2022 issued Covered Bonds will be treated as European Covered Bonds (Premium).

Funding Mix (EUR m)*



Maturity Profile (EUR m)**



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Rationale for Sustainable Finance Framework

under which **Green**, Social and Sustainable Finance Instruments Can be Issued

Sustainable Finance Framework is the right choice for Erste Group | SLSP to ...

Enhance Erste Group | SLSP's
Sustainability Commitment

- **Highlights its social commitment**
- Underlines its commitment towards **climate and environmental objectives**
- Recognizes the **importance of financial institutions** to promote sustainable investments

Strengthen Customer
Awareness and Satisfaction

- Contributes to **sustainability awareness** of our customers
- Helps to **increase investor dialogue and engagement on ESG topics**
- Contributes to **the credibility of sustainability in the CEE** region

Strengthen Erste Group |
SLSP's Financial Position

- **Fosters long-term investor relationships**
- Enhances its competence in **important market of the future**
- **Diversifies its funding profile** with new instruments

Overview of Erste Group's Sustainable Finance Framework – Umbrella Framework for Entities within the Erste Group including SLSP

Use of Proceeds

1

Eligible Green portfolios include

- Residential buildings
- Commercial buildings
- Renewable energy (wind, solar / PV, small scale hydro, geothermal)

Eligible Social portfolios include

- Subsidized housing program and affordable housing | Affordable housing
- Financial & social inclusion financing
- Financing access to essential services (hospitals, schools)

Project Evaluation and Selection

2

- A dedicated Sustainable Finance Committee (the “SFC”) manages any update of the Sustainable Finance Framework
- The loan selection is based on the Eligibility Criteria defined in the respective section of the Sustainable Finance Framework
- EG has relied on the support of an external consultant to set up detailed Eligibility Criteria for Green Buildings
- EG refrains from ethically, social and environmentally harmful transactions. Risk perspective and exclusion rules are outlined in the publicly available “Responsible Finance Policy”



Management of Proceeds

3

- Net Proceeds of the Sustainable Finance Instruments will be allocated based on a portfolio approach
- EG entities will strive, within 24 months after issuance, to reach full-allocation of the Net Proceeds to the eligible Loan Portfolio
- Additional Green and / or Social Loans will be added to the Loan Portfolio to the extent required

Reporting

4

- EG will issue annual reports on the allocation of the Use of Proceeds and on the environmental and social impacts of the funded projects
- EG will not double count the financing of any Green or Social Loans
- EG intends to obtain verification of the Allocation Report, on a limited assurance basis, by an auditor or any other qualified party

Erste Group's SFF is aligned with:



Sustainable Finance Framework – Use of Proceeds

Eligible **Green** Projects Under Our Sustainable Finance Framework*



Green Category	Definition	Eligibility Criteria	UN SDG	EU Environmental Objective
Green Buildings (Residential)	Loans and/or investments to finance new or existing residential buildings	<ul style="list-style-type: none"> Buildings that are within the top 15% energy efficient buildings in the respective country Buildings that have undergone refurbishments resulting in an increase in energy of efficiency of at least 30% against a baseline performance of the building before renovation (When using EPC labels, at least two label steps increase in energy performance certificate compared to original built quality) New Buildings that comply with Nearly Zero Energy Buildings requirements defined in relevant country building legislation 	 	Environmental Objective (1): Climate Change Mitigation
Green Buildings (Commercial)	Loans and/or investments to finance new or existing commercial buildings	<ul style="list-style-type: none"> Buildings that are within the top 15% energy efficient buildings in the respective country Buildings that have undergone refurbishments resulting in an increase in energy of efficiency of at least 30% against a baseline performance of the building before the renovation Where applicable, minimum certification of BREEAM “Very Good”, LEED “Gold” or any other equivalent certification 	 	Environmental Objective (1): Climate Change Mitigation
Renewable Energy	Loans and/or investments to finance or refinance generation and transmission of energy from renewable sources and manufacturing of the related equipment	<ul style="list-style-type: none"> Onshore and offshore wind energy Solar (Photovoltaic) Small scale hydro power (<20 MW) and refurbishment (or refinancing) of existing large-scale hydro (>20 MW) Geothermal energy with life cycle assessment emissions ≤ 100g CO₂e/kWh 	 	Environmental Objective (1): Climate Change Mitigation

Sustainable Finance Framework – Selection Process

Green Assets Selection in Based on Well-established Internal Control

Evaluation and Selection of Assets

- Green loan origination is subject to the **standard origination process** within Erste Group
- **ESG risk management screening** at origination is based on our Group Responsible Financing Policy, strengthened with a dedicated ESG scorecard (starting with July 1, 2021) for Commercial Real Estates and Large Corporate transactions
- Deal **origination units collect and verify information**; green eligibility is checked based on clear decision rules
- **Sustainable Finance Committee** is responsible to decide on definition or changes of eligibility criteria
- Technical screening criteria were established based on the **Taxonomy Delegated Act (November 2020)** as well as with a clear reference to the Taxonomy TEG final report (**March 2020**)
- To define the technical screening criteria, the **technical guidance from an external consultant** (Drees & Sommer) was used

Governance

Supervisory Board

- Acknowledges sustainability strategy;
- Reviews the sustainability framework implementation

Management Board

- Approves sustainability strategy;
- Approves the establishment of Sustainable Finance Framework

Group's Sustainable Finance Committee

- Approves eligibility and allocation of assets

Local Sustainable Financing Committee (SLSP)

- Approves changes in the Sustainable Finance Framework (Group SFC);
- Signs off allocation and impact reports

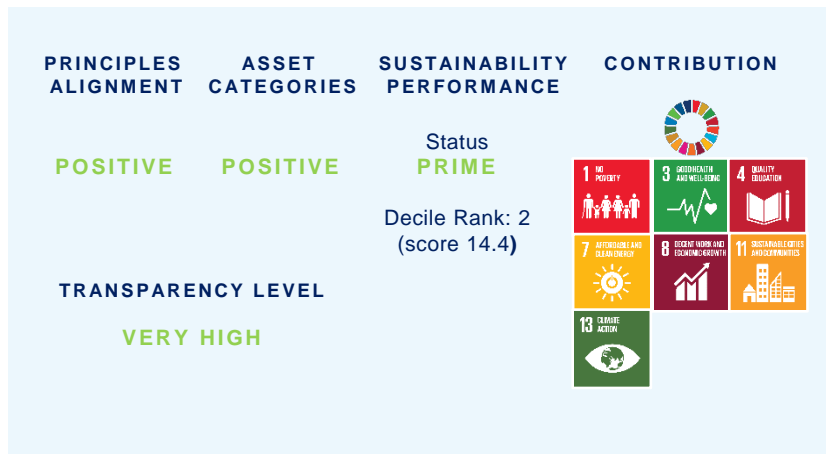
Asset and Liability Management

- Runs asset allocation and selection
- Provides allocation and impact reports

Local Balance Sheet Management (SLSP)

Second Party Opinion – ISS ESG Verified Sustainable Finance Framework

Summary of Second Party Opinion



SECOND PARTY OPINION (SPO)

Sustainability Quality Framework



Erste Group
3 May 2021

- The issuer shows a **good sustainability performance** against industry peer group on key ESG issues and **has been rated 'PRIME'**
- The issuer's **formal concept** of Green, Social and Sustainability Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting **is in line with the ICMA GBPs, SBPs and SBGs** and based on robust selection processes, the green eligible projects are considered to be aligned with the EU Taxonomy
- For the **social project categories**, the overall sustainability quality is good

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Cover Pool Overview as of 30.06.2022

Cover Pool Structure

Total cover pool volume	4 814.6m EUR
Residential Loan balance	4 654.6m EUR
Liquidity buffer (liquid assets)	160.0m EUR
Number of loans	101 377
Number of borrowers	93 022
WA indexed LTV	48.93%
WA seasoning	4.1 years
WA remaining term	20.8 years

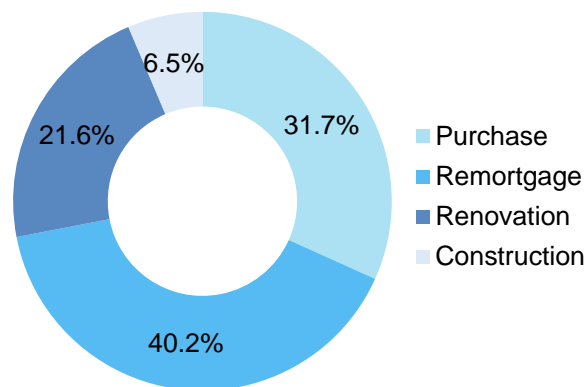
Covered Bonds

Total volume of issues	2 811.4m EUR
WAL of outstanding CBs	4.26 years
Committed OC	7.5%
Over-collateralisation	71.25%
Covered Bond Rating (Moody's)	Aaa
Maturity type	Soft Bullet
Currency distribution	EUR 100%
Fixed rate CBs outstanding	100.0%

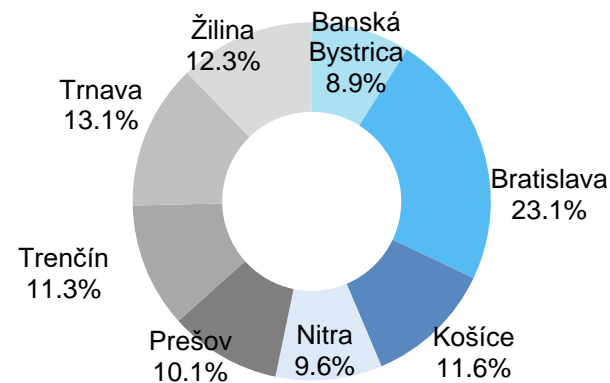
Notes (Cover pool):

1. Excluding non-eligible loans and loans 30+ days in arrears; 2. Interest rate type: 85.69% fixed rate (Moody's methodology); Avg. interest rate: 1.21% p.a.; 3. Loans in EUR only; 4. No derivatives in the Cover Pool; 5. Liquidity buffer – SK Govt. Bonds; 6. Average loan volume: 45 914 EUR; 7. No. of pledged properties: 107 352; 8. Total volume of issues includes retained covered bonds (EUR 1bn).

Distribution by Loan Purpose (Volume)

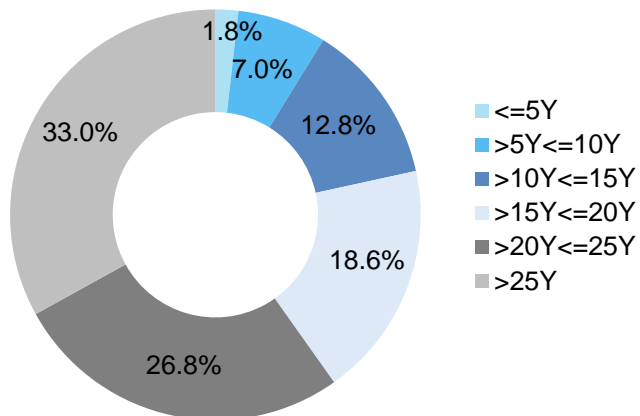


Regional Distribution (Volume)

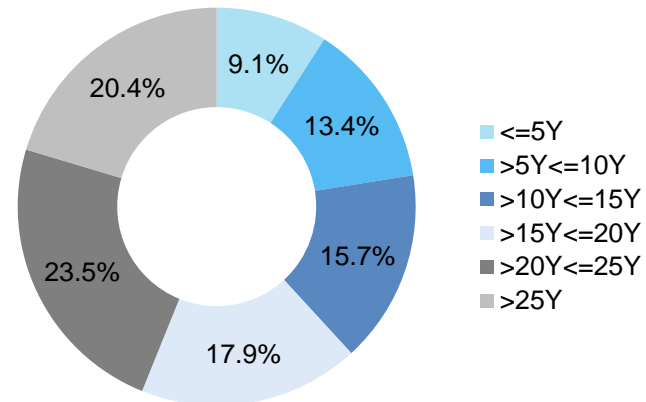


Cover Pool Overview as of 30.06.2022 (Cont'd)

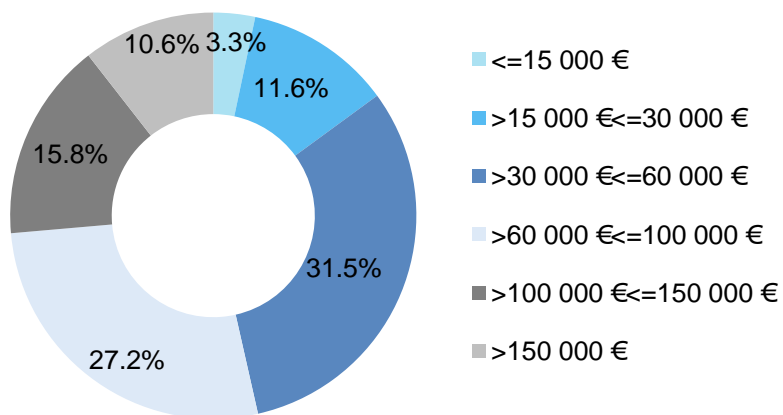
Distribution by Remaining Term (Volume)



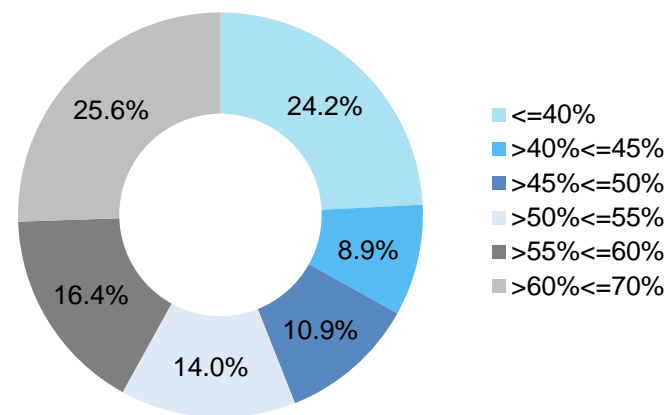
Distribution by Remaining Term (No. of Loans)



Distribution by Volume (Volume)



Distribution by LTV (Volume)



Implementation of the EU Covered Bonds Directive in Slovakia

General

- The EU Covered Bonds Directive implementing Act entered into force on 8 July 2022
- It does not have a significant impact on the Slovak covered bond market
- **The previous Slovak legal framework was already in compliance with fundamentals requirements of the EU Covered Bonds Directive**

Impact on SLSP Cover Pool

- We do not expect any significant changes in the existing Cover Pool
- At the moment we have no intention to include commercial real estates in the new or existing Cover Pool
- All the existing Covered Bonds issued before 8 July 2022 are included in the new programme compliant with the Covered Bonds Directive. However, all rights of the holders must be preserved or be more beneficial for the holders.

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Additional Information –

Balance Sheet (based on Interim consolidated financial statements prepared in accordance with IFRS for the accounting period ended 30 June 2022)

in EUR m	12/2021	06/2022	YTD
Cash and cash balances	2 907.4	2 714.9	-192.6
Derivatives	47.9	52.1	4.2
Equity instruments	7.2	9.2	2.0
Debt securities	3 919.6	3 914.8	-4.8
Loans and advances to banks	50.0	19.9	-30.1
Loans and advances to customers	15 535.0	16 592.8	1 057.8
Finance lease receivables	233.4	253.4	20.0
Hedge accounting derivatives	16.5	6.6	-9.9
Trade and other receivables	129.1	161.1	32.0
Total assets	23 154.3	24 040.5	886.2

in EUR m	12/2021	06/2022	YTD
Derivatives	46.1	49.3	3.1
Deposits from banks	2 893.3	2 917.3	23.9
Deposits from customers	15 972.8	16 302.4	329.6
Debt securities issued	1 946.9	2 364.5	417.5
Hedge accounting derivatives	31.8	51.9	20.1
Total equity	2 050.5	2 044.8	-5.8
Total liabilities and equity	23 154.3	24 040.5	886.2

Additional Information –

Income Statement (based on Interim consolidated financial statements prepared in accordance with IFRS for the accounting period ended 30 June 2022)

in EUR m	1-6/2021	1-6/2022	Y-o-Y
Net interest income	217.8	213.3	-4.5
Net fee and commission income	79.5	93.8	14.3
Dividend income	0.5	0.5	0.0
Net trading result	3.9	8.4	4.5
Gains/losses from financial instruments measured at FVTPL	0.1	0.7	0.6
Net result from equity method investments	1.0	0.7	-0.2
Rental income from investment properties & other operating leases	0.2	0.2	0.0
Operating expenses	-147.9	-155.0	-7.2
Net impairment loss on financial instruments	-26.0	-24.9	1.1
Other operating result	-8.1	-7.3	0.8
thereof: Levies on banking activities	-4.7	-5.9	-1.2
Pre-tax profit from continuing operations	120.6	130.1	9.5
Taxes on income	-29.5	-30.3	-0.8
Net profit of the year	91.2	99.8	8.7
Operating income	302.9	319.6	16.7
Operating expense	-147.9	-155.1	-7.2
Operating result	155.0	164.5	9.5

Investor Relations Details

Slovenská sporiteľňa, a.s.

Tomášikova 48, 832 37 Bratislava

Slovak Republic

<https://www.slsp.sk/en/investors/bonds>

Erste Group Bank AG, Am Belvedere 1, 1100 Vienna

E-mail: investor.relations@erstegroup.com

Internet: <http://www.erstegroup.com/investors/debt>

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